

18, 1932

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, MARCH 25, 1932

MAR 25 1932

AN EQUITABLE POLICY

TAKES THE "IF" OUT OF LIFE

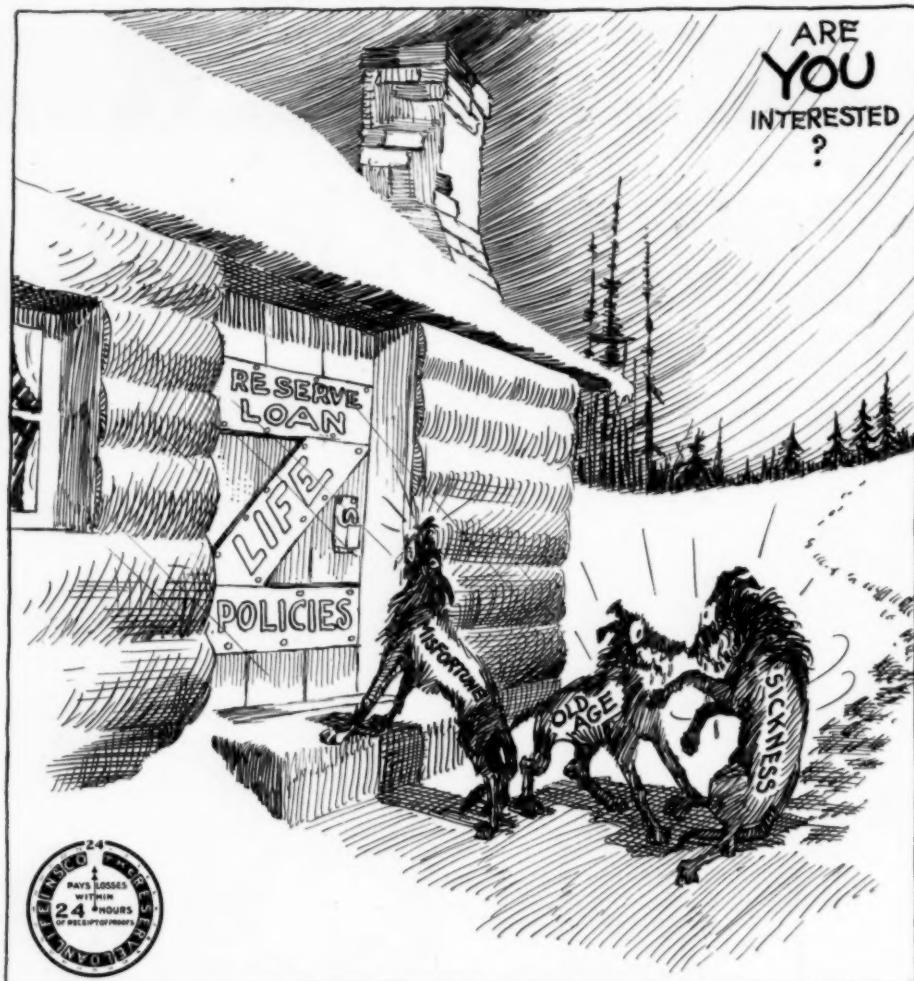
B/S



THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE UNITED STATES
THOMAS I. PARKINSON, PRESIDENT

393 SEVENTH AVENUE, NEW YORK CITY



KEEP YOUR OWN DOOR SECURE

**WRITE FOR GENERAL AGENCY PROPOSITION
AND TERRITORY**

RESERVE LOAN LIFE
INSURANCE COMPANY
INDIANAPOLIS, INDIANA.





The Squirrel Must Crack His Own Nuts

A MOTHERLY woman once owned a pet squirrel. She saw it work hard to crack nuts for food. She took pity on it and thereafter cracked the nuts and fed the squirrel the kernels with the result that the squirrel's teeth grew so long he could not eat and he died from starvation.

The squirrel is given his teeth to use and the work of cracking nuts keeps them sharp, the right length, and makes him fit for the problem he must solve.

During our "Prosperity Spree" we became used to having other folks do things for us. We became soft and now that we have to crack our own nuts, we find it a difficult task and many of us fall by the wayside.

Resistance develops strength in the man of strong will. That is why many salesmen this year are equaling or surpassing their records of past years. They have the will to do and the sales resistance of the present has made them stronger and better salesmen.

Will power, planned work, plus Home Office service will make 1932 your best year. On this page we list some of the services furnished by The Ohio National Life Insurance Company to its field force. This Home Office service is one of the many reasons why—"It Pays to Tie Up with The Ohio National."

Salesmen wanted in select locations in the following states: Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Nebraska, Ohio, Oklahoma, Pennsylvania, Texas and West Virginia.

For information as to a salesman's contract, write—

THE OHIO NATIONAL LIFE INSURANCE COMPANY

T. W. Appleby,
President

CINCINNATI, OHIO

E. E. Kirkpatrick,
Supt. of Agencies

THE HOME LIFE INSURANCE COMPANY OF NEW YORK

The Life Underwriter's Present Day Opportunity

AS was recently stated by James A. Fulton, president of the Home Life of New York, business will be good this year for those Life Underwriters who make it good.

The opportunity in the field of Life Insurance is an attractive one—and it is as great, if not greater than in the best year the business has ever enjoyed. Not without effort, of course, for the "unsold sale" has very nearly vanished and a very real type of keen salesmanship is today essential.

Basic Idea

Basic to the 1932 sales program for Agent or General Agent is "Organized Effort"—and this has been made the basis of the Home Life program for this year.

Every Home Life man has available a complete equipment which lends itself to simple and effective organization of time and effort.

A Selling Plan

For new men—or veteran field men seeking to get back to fundamentals and step up their production—there is the "Simplified Selling Plan."

This is very nearly self-explanatory. It is a prospecting-sales plan which has been reduced to the minimum of detail and gives the basic essentials with which to carry through from

organized pocket and file card system covering every detail, from the daily scheduling of calls and recording of results, to the cumulative results for the year and the permanent file of prospects and policyholders. It is complete, simple and effective, requiring but a few minutes daily to maintain and

"Facts for Home Life Men," a set of four volumes whose contents are explained by their titles, "What to Know," "What to Do," "What to Say" and "How to Sell."

Complete Equipment

For everyone associated with the company there is a comprehensive kit of selling aids in the form of printed matter, attractively designed and fitted to every modern need, both for the emphasis of the selling points and for the proposals themselves.

Equipment—in the way of policy forms—is complete and completely modernized; providing modern contracts for all modern needs.

Contracts—for both agent and general agent—are modern, featuring the principle of guaranteed renewals.

General Agents' Guide

And, to organize these and the many other features of the Home Life equipment, there has been prepared for the General Agents of this Company a "Home Life Guide to Profitable Agency Building," a manual and guide-book for the field manager.

These aids assure a successful year for Home Life men who take full advantage of them.



original prospecting to the actual sales interview and examination appointment. It has been proven an important sales aid in actual use.

For everyone in the field organization, the Company has a complete record system available without cost—and without compulsion, of course,—which offers a simplified, thoroughly

yet giving a complete record of all activity and results.

"Facts" Library

For the new man who seeks the fundamental knowledge of this business, this Company and this opportunity—and for the veteran agent who has frequent need for reference to this same information — there is the

THE HOME LIFE INSURANCE COMPANY OF NEW YORK

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Sixth Year No. 13

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, MARCH 25, 1932

\$3.00 Per Year, 15 Cents a Copy

Destructive Plan Is Frowned Upon

Competitive Salesmanship Is Tending to Undermine Public Confidence

TWO SHEETS IN ATTACK

Insidious Rumors Being Used to Displace Present Policyholders and Disturb Their Minds

NEW YORK, March 24.—Efforts to soft-pedal competitive salesmanship in life insurance have been increased this year on the theory that competition at this time might rock the boat. At least one large company which in the past has furnished its agents with competitive data is supplying none, even though that company was able to make one of the finest financial statements reported this year. In fact, this company is exerting pressure on its field organization to refrain from competitive selling.

The dynamite that exists in competitive salesmanship is pretty well recognized among the older officers of life companies and the brakes are being put on the younger and more aggressive men in the sales departments at the home offices and in the field. Agents are not being catered to as freely as formerly with competitive figures, facts, or rhetorical phrases.

Unsettling the Policyholder

The agents who have been eminently successful in competitive cases in the past are not making such good records under present conditions. A little thought on the subject leads to the conclusion that this is natural. The competitive salesman unsettles the mind of the prospective policyholder and instead of unsettling him merely for a competing company he unsettles him for all life insurance and fails to get an application. The twister, whom many people consider just a perverted competitive salesman, is likewise having little success. He is succeeding in inducing people to borrow on and lapse their life insurance but he is failing to get the replacement application that pays him for his efforts.

In many cities good banks have gone down with their weaker brethren, not because there was anything fundamentally wrong with the banks but because the public became panic stricken and lost faith in all banks. In many cities savings banks have had to put in the 90 day withdrawal limitation for the first time in their history, just because one bank in the city lost standing and confidence in all banks was shaken.

See Unnecessary Evil

Some of those who have come to recognize that the faults of competitive salesmanship far outweigh the advantages in times like the present will probably never again look with as much

N. Y. Department Gets More Authority Over Life Agents

BILL SIGNED BY ROOSEVELT

Superintendent May Now Suspend or Revoke License for "Incompetence or Untrustworthiness"

NEW YORK, March 24.—Widespread interest among life men here has resulted from Governor Roosevelt's signing a bill empowering the superintendent of insurance to suspend or revoke an agent's license for "incompetence or untrustworthiness" as well as for violations of material misstatements. The power to suspend as well as revoke a license gives the superintendent the opportunity to act in many cases where revocation would work too great a hardship. While there is the chance of its abuse by an autocratic superintendent, general agents and managers feel that the measure is a salutary one, which will go far toward checking some of the questionable practices that have been aggravated in the last few years by depressed business conditions.

Cause May Be Outside of Insurance

Sometimes the cause for getting the agent out of the insurance business lies in some activity apart from insurance, and the new law gives the superintendent power to act in such cases, as well as in the type of case in which it is extremely difficult to get a conviction in court but in which the superintendent is fully convinced that there is ample evidence that the accused is unfit to be in the life insurance business. The effect will be to give the superintendent somewhat the same power over life agents as he has now over general insurance brokers through the brokers licensing system.

favor on this method of selling as they have in the past. They have come to the conclusion that competitive advantages swing from one company to another and from one type of company to another type, despite all that can be done by a company or a group to always monopolize the advantages and avoid the disadvantages. They have also seen that in a field like life insurance, where the saturation point is still in the distant future, competitive salesmanship is an unnecessary evil.

Two Sinister Public Attacks

Many life company officials who were inclined to be apathetic and complacent regarding the destructive salesmanship plans which are so evident in the field are now beginning to see the danger of having public confidence impaired and perhaps destroyed. So far but two publications have indulged in attacks on companies. The most flagrant is the Harpell's "Journal of Commerce" of Toronto, which has viciously attacked the Sun Life and to some extent the North American Life of Toronto. A moribund publication, the "Insurance Index," which its new owners are trying to revive, turned its popgun on the Illinois Life.

The Canadian publication has been

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Expect Experiments to Be of Real Value to Life Men

BRAGG USING NEW METHODS

Unearts Hidden Emotional Conflicts Which Hinder Salesmen, Records Sales Talk, Lets Student Hear It

NEW YORK, March 24.—Two pioneering experiments, the results of which should be of vital interest to life insurance men, are being conducted at New York University by J. E. Bragg, director of the life insurance training course there.

The first is the unearthing of hidden emotional conflicts, which in a remarkably large percentage of cases are serious barriers to agents working at full capacity.

The second experiment, of more recent development, deals more with the important external aspects of salesmanship in which it is often difficult to instruct men. It consists principally of making an electrical recording of the student's sales talk, and then letting him hear how he sounds to a prospect. Mistakes in pronunciation, faulty enunciation, poor diction, weak sales ideas, are so obvious that the student can see at once what his faults are and just what needs correcting.

Psychological Factor Important

The psychological discovering of emotional conflicts is a field which promises much in the way of helping the manager solve the puzzling problem of selection of agents.

The psychological conferences by which these conflicts are brought into the open are entirely confidential between the psychologist and the student. Only such resulting facts as the student wishes are passed along to Professor Bragg.

An amazingly large number of men are found to be harassed by problems which might not be important in other lines of work but which very decidedly cut down their efficiency as life insurance salesmen. Family difficulties are often the cause, sometimes worry about health, frequently financial difficulties.

First the student takes a very thorough personality and business ability and intelligence test, on which he rates himself on a number of specific questions. The final graph indicates just about how he stacks up as to impressiveness, initiative, intelligence, and other factors of personality.

This graph strikingly shows any weakness, and it is practically impossible for the student to deceive with success, for the test is designed to show up any such attempt. It was devised by Prof. N. L. Hoopingarner, also a member of the New York University faculty.

On the basis of the graphic indica-

tions, the student in his confidential con-

sultation with the psychologist can very

often find out exactly what is causing

the slump in production.

While Professor Bragg makes no

over-optimistic predictions, he believes

that this method may be a very definite

step toward controlling that important

and elusive factor in handling agents—

morale.

Suicides Causing Tighter Attitude

Companies Now Nearly Unanimous in Methods of Passing on Doubtful Applicants

EXAMINE RISKS CLOSELY

Hold Issuance to Reasonable Amount in Proportion to Earned Income

—Other Rules in Use

The staggering tide of suicides of heavily insured persons has served, together with the fear that the great pressure of business depression has been responsible for many deaths, to bring large companies to a policy of underwriting perhaps tighter than ever before in the history of the business.

In the past, suicide as a possibility in considering large applications had little background to bother underwriters. The question in the past might have been raised perfunctorily by underwriters when the amount applied for appeared to raise the total on a risk to the danger point, but in most cases influential agents had little trouble in securing issuance. The times certainly have changed.

Laird Crystallizes Sentiment

Starting with the paper read before the Actuarial Society of America in May, 1930, by John M. Laird, vice-president Connecticut General and now president American Life Convention, on the need of limiting life insurance to the amount which 20 percent of the earned income would purchase on the ordinary life plan, a paper which crystallized sentiment in favor of this practice previously employed by some companies, the companies now are almost unanimous in adhering to this rule.

As now employed this applies only to personal insurance. For business insurance the companies will consider an additional amount generally five times what the applicant's firm pays him. There is a third rule regarding life insurance for inheritance tax purposes. The usual custom is to grant an additional amount of insurance equal to two years' income on the applicant's estate. A sliding scale is used, however, as in the upper brackets the tax rate greatly increases, and in the case of a multimillionaire the upper limits for insurance for this purpose may be as high as five years' income.

Analyze Business Life

The companies almost universally now are watching closely the trend of a man's business life. If, for instance, it is found that last year his earned income was \$100,000 but this year it is reduced to \$50,000, the companies ask what this means. It may mean that he is of less value to his firm, or again merely that he is taking his medicine along with others.

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Giffin Lists Requirements of Good Insurance Agent

S P E A K S AT PHILADELPHIA

Phoenix Mutual Man Emphasizes Correct Mental Attitude in Sales Congress Address

Correct mental attitude, correct prospecting, effective presentation, self organization, ability to eliminate fear and worry and adoption of a program of self improvement were listed by James A. Giffin, assistant agency manager Phoenix Mutual, as the foundation requirements of a good life insurance agent. He was a speaker at the tri-state sales congress at Philadelphia.

The salesman, he said, is needed today who can approach with a great light a group of discouraged prospects and bring them a plan of life. Most people, he said, are so involved in the business of making a living that they have no time to plan ahead. Correct mental attitude is therefore needed on the part of the salesman. He must know life in terms of economics, be able to talk life courageously and optimistically. He must have an increasingly great conviction about the value of the service he is rendering. "Great convictions," Mr. Giffin said, "develop great salesmen."

Sincere Salesmen

"A sincere salesman," he added, "sets an example of real inspiration to an otherwise dull prospect. He catches some of the salesman's fire and forgets his worries, fears and preconceived notions. Real selling stimulates buying."

Mr. Giffin advocated agents gathering encouraging news and passing it along to prospects. Contributions should be made to help the unemployed and the needy, but the agent should not become preoccupied with the fate of the unfortunate. Negative and destructive thought should not be permitted to develop.

Prospecting, according to Mr. Giffin, is largely an attitude of mind. As the agent gets a new and greater conception of what his service can accomplish, good prospects will be seen where there appeared to be none before.

He suggested that the agent analyze the last 100 sales in his office to discover who the people are that are buying insurance today. Prospecting must be adapted to the moment. The prospecting methods of successful life insurance men should be studied.

Key to More Business

"An optimistic, courageous, fearless attitude, tied up to modern methods of working, prospecting and selling, is the key to more business when business is hard to get," he asserted.

"There are strong and effective ways of saying and doing things," Mr. Giffin said in advocating effective presentation, "and there are weak and ineffective ways of saying and doing things, and unless we consistently cultivate them with great care, the strong and effective way of saying and doing things, we are bound to drift into weak and ineffective methods of selling insurance."

Mr. Giffin mentioned that veteran agents are working fewer hours, making fewer new contacts and using old, haphazard selling methods. It is imperative, he said, that the older man in the business bring his sales presentations up to date.

The sales come with proper, consistent routine, plus the fire which the salesman must put into his presentation, which must be geared to meet the present public mind, according to Mr. Giffin.

As to self organization, Mr. Giffin said that each man should be definitely aware of his own sales spread and the money value of a complete work week. He should know the number of interviews he must make to make one sale. Knowing this, he will be poised and confident, certain that if he makes a

Is a Candidate



CHARLES W. GOLD, Greensboro, N. C.

President C. W. Gold of the Pilot Life of Greensboro, N. C., who two years ago was elected one of the insurance directors of the United States Chamber of Commerce, will be a candidate at the forthcoming annual meeting. His opponent is President Justin Peters of the Pennsylvania Lumbermen's Mutual Fire of Philadelphia.

number of good, strong presentations in the presence of right kind of prospects, a certain number of sales are sure to result.

Elimination of fear and worry is important, he declared. He suggests reading "A Fortune to Share," by Vash Young.

A definite program of self improvement is essential. A successful agent, he declared, is the mediocre agent who has grown, developed and expanded. Direction in life is needed to overcome the stumbling block. A new baptism of faith in the service of life insurance is needed. Objectives, not obstacles should be seen.

Girard to Appeal Tax Case to the U. S. Supreme Court

The Girard Life is appealing to the United States Supreme Court from the decision of the Pennsylvania supreme court affirming the validity of the 8 mills gross premium tax, from which mutuals and mutual benefit associations are exempt. The tax, the Girard contends, discriminates between stock and mutual companies in violation of the uniformity clause of the Pennsylvania constitution and the 14th amendment of the constitution of the United States. The Pennsylvania supreme court upheld the tax on the ground that there is a substantial difference between the ultimate destination of the profits in the two types of companies.

Figures on Canadian Business

OTTAWA, CAN., March 24.—Preliminary figures of the Dominion department show the net total of paid-for life insurance in 1931 was \$783,019,054, a decrease of 11.5 percent from 1930. Of this total, \$581,754,108 was ordinary, \$162,540,062 industrial, and \$38,724,884 group. The total in force at the end of the year was \$6,622,548,004, an increase of 2 percent. Of this amount \$4,409,703,751 was with Canadian companies, and \$2,212,844,253 was with British and United States companies. Fraternals have \$183,466,589 additional business in force, divided into \$127,741,018 with Canadian fraternals and \$55,725,571 with foreign fraternals.

President C. W. Gold Files His Petition for Reelection

GIVES REASONS FOR STAND

Head of Pilot Life Being Opposed by Justin Peters of Pennsylvania Lumbermen's

Petitions have been filed for two candidates for insurance director of the United States Chamber of Commerce. President Charles W. Gold of the Pilot Life of Greensboro, N. C., whose term expires, has filed his petition for reelection. Justin Peters, president of the Pennsylvania Lumbermen's Mutual of Philadelphia, as already announced, will be a candidate for the place. The life insurance people take the ground that they are entitled to representation on the directorate. So far as mutual and stock companies are concerned in life insurance, the line is not drawn in the way that it is in fire and casualty. Mr. Gold, they say, cannot be classed as a "stock company man" in the sense that it is interpreted in other classes. He represents insurance as a whole. The life insurance people say that the fire and casualty people are entitled to one director, which they have now in George D. Markham of St. Louis. They assert, however, that the life men should certainly have one.

President Gold's Position

President Gold in commenting on the Peters' candidacy says:

"With reference to the mutual fire people putting up a candidate to show you how I feel about this matter, I am quoting from my reply to the letter sent out by their press agent as follows:

"There are nine election districts in the United States, each of which furnishes two directors, and in addition thereto there are the following departments, for which two directors are selected at large: Civic Development, Domestic Distribution, Finance, Foreign Commerce, Insurance, Manufacture, Natural Resources Production, Transportation and Communication.

Should Represent Insurance

"The representatives for finance are not supposed to be bankers representing one particular phase of banking, but these directors for finance are supposed to represent finance. The same thing is true of manufacture. The directors representing manufacturing may be a steel manufacturer or a hosiery manufacturer. They are supposed to represent manufacturing in the chamber directorate. The same standard should be maintained for all of these departments. Certainly the insurance director should not be so narrow in his thinking as to represent only mutual companies, or stock companies, or fire insurance companies, or any particular branch of insurance. His duty is to represent insurance. I think that the broad policies of the chamber would deprecate any suggestion such as was outlined in the letter.

All Branches Represented

"In my appointment of the insurance committee, stock and mutual insurance, fire and life insurance, casualty and marine insurance, were all represented on this committee which the board of directors approved upon my recommendation.

"My friends have urged me to allow my name to go before the annual meeting in San Francisco for another two-year term, and to this I have consented. If I am elected, I will represent insurance in its broad sense. I will not represent stock companies especially, I will not represent mutual companies especially, but I will do the best I can to represent insurance."

H. W. Manning, assistant general manager of Great West Life, is on a visit to the branches at Detroit and Chicago.

Effect of the Depression on Claims for Disability

NOT MUCH IMPOSITION FOUND

While There Is Malingering, Yet as a Rule Policyholders Intend to Be Honest

NEW YORK, March 24.—While the depression has caused life companies to pay out much more in disability claims than would be the case if conditions were normal, there is no reason to believe that an unusually large proportion of these claims are fakes, according to an official here who handles these cases.

Nervous breakdowns, frequently referred to with a knowing smile, are almost always as clear-cut as other forms of disability. In many cases the victims didn't know they had disability insurance. Many who were not actually ruined, saw their businesses go to smash, and the ordeal they have been through makes them now incapable of taking another position even if it were offered to them.

The depression has revealed that often the companies were luckier than they knew in prosperous times with their disability claims. For example, a legitimate case of disability from tuberculosis might not be enough to cause a man to give up his job, even though it were advisable, because he was making more money than he would have drawn under his disability contracts.

Where there is any doubt as to the validity of a claim the claimant is carefully investigated and if the indications are that he is malingering an effort is made to get the opinion of an unbiased specialist, who is not looking for loopholes for his patient and who cannot be fooled by a story that might deceive one less highly trained.

Figures on Ohio Business

Ohio life insurance policyholders or their beneficiaries were paid \$65,286,677 in benefits in 1931, \$7,677,093 by Ohio companies, according to the advance report of the Ohio department. Life insurance written in 1931 in Ohio was \$1,172,082,736, of which Ohio companies wrote \$198,742,575. Premiums received totaled \$226,266,951, an increase of 2.35 percent.

Continuous Production Records

Fifteen agents for the Central States Life of St. Louis have maintained a perfect production record for 209 weeks or more, according to the latest roster of the company's Perseverance Club. Ten others have passed the century mark and are well along toward a second 100 weeks of unbroken production.

Agent Seeks Owners of Cheaper Hostelries

It requires during this particular time acute and intelligent observation and study to determine who are really good prospects for life insurance. Certainly hundreds that would come under that category a few years ago are out of the picture today because they have no money. Some activities are making money. Salaried men who have not had their compensation cut are in better shape today than they were in the past. One Chicago man has been specializing on owners and managers of the cheaper hotels. Many people who stopped at more pretentious quarters in large numbers are going to the so-called cheap hotels. Those hostelleries seemingly are getting the trade.

Canadian Premier Defends Carriers

Attacks in Toronto Journal Cause Debate in House of Commons

RESOLUTION INTRODUCED

Government Takes Cognizance of "Stories" About Sun Life, North American Life

OTTAWA, CAN., March 24.—Financial solvency of Canadian life companies was debated in the House of Commons here. A resolution by Michael Luchkovich of Alberta, asking for an inquiry into financial transactions of two companies, failed to win much support, but it drew criticism and defense. The resolution was as follows:

"Whereas there have appeared in the 1932 January and February issues of the Journal of Commerce, published in Toronto, certain allegations of swindling and questionable dealings in respect of the North American Life and the Sun Life and whereas these charges have created a state of uncertainty in the public mind and a lack of confidence in the stability of such institutions in this country; and whereas these charges can most effectively be met and public confidence best be restored by a thorough and impartial investigation of these various allegations; therefore be it resolved: That in the opinion of this house, the select standing committee on banking and commerce be instructed to conduct a strict investigation into the business transactions of the North American and Sun Life, especially in relation to their investments in common stocks, and the allegations as to the swindling of policyholders by directors of said companies."

Bennett Takes Floor

Premier Bennett was prompt to take the floor. He reminded the house that control over insurance in Canada was divided between the Dominion and the provincial authorities, but the two companies referred to had been supervised by the Dominion superintendent, who found them solvent as at December 31, 1931.

"Broadly speaking," Mr. Bennett said, "Canadian life insurance companies have undergone the strictest form of examination as to the character of their investments and they have withstood the closest scrutiny of those charged with inspecting their business."

The premier stated that the Sun Life transacted business in almost every country of the world and that in all of these it had to undergo rigid examination not only of its investments but also of its entire financial structure. A year ago the common stock holdings of the company were 51 percent of its investments while today the proportion had declined to 47 percent. It has \$23,000,000 in Dominion government bonds, he said.

Background of Investment

"The avowed policy of the Sun Life is to have at least \$100,000,000 if not \$200,000,000 invested in Canadian bonds as the background of its investments in this country," he added.

"I have long held that a more stringent restriction should be placed upon life insurance companies' investments, and I will endeavor, within the scope of our powers recently abridged by a

(CONTINUED ON PAGE 27)

Preponderance of Income Plans Is Seen as Hazard

The strong public trend toward annuities, life income plans and even greater use of the trust options in life contracts as a harbor of refuge in time of general investment chaos, is raising the question whether this reaction will not swing so far that companies will become loaded up with these plans, and will not in fact before very long face a situation something comparable to the disability problem that life companies are facing.

The two types of protection, one an out-and-out coverage of income against accident and health hazards; the other not at all insurance, but largely a banking matter in which, however, the mortality table is considered, have at least two significant elements in common. One is the time factor.

Practice Full of "Dynamite"

Both undertake to protect a person for the duration of life, a project which has been found in disability to be full of "dynamite." Secondly, in both is to be found the contract-holder's self interest as a vital factor to be considered in underwriting.

While it is true that much more premium is obtained for the annuity than for the disability contract, this advantage is offset by the fact that monthly or annual payments for life must be made to all policyholders who reach a certain age, whereas the disability income is payable only if total and permanent disability can be demonstrated. Nevertheless, self-interest is common denominator for both forms of coverage.

The annuity business is very old, perhaps older than life insurance. Governments have essayed it as well as companies and individuals, and almost invariably the experience has been unsatisfactory. Pure logic indicates that it will become worse, not alone because of lower return from investments to be anticipated for some years to come, but also from increasing improvement in public health and wider dissemination of the idea. In contemplating experience on annuities company officials may derive some solace from this latter offset affecting life policies.

Contracts Are Unalterable

Life companies writing annuities of course can raise the rates or cut down payments in issuing new contracts, in order to keep pace with experience, but they are powerless to alter the contracts already in force. It is this fact which is disquieting many executives. A number of companies are in the annuity field because of competition and look with misgivings on this business as it is being placed on the books.

Perhaps the greatest hazard exists in connection with deferred life annuities, the so-called life income policies in which the insured elects or is offered the privilege of leaving the cash value under the trust options, and the trust options themselves in all forms of policies. Companies are writing such contracts as low as age 15, and in some cases even earlier. In the case of a life income maturing at 65, assuming the American Experience expectancy of 11.1 years at that age, the company thus is offering a guarantee based on present conditions but extending 61 years into the future. The great hazards of this practice are evident, when it is considered the life annuity starting at 65 guarantees return of more than 11 percent a year.

Life Span Is Lengthening

The span of life has been considerably lengthened by modern scientific research and wide adoption of sanitation. The effects insofar as annuities are concerned have not been felt much so far.

Greatest improvement has occurred in reducing mortality at younger ages. Analytical observers, however, see indication that greatest emphasis in future research and health work will be directed to improvement in the older brackets. Any developments which lengthen the average life at older ages will be felt adversely by annuity companies.

Public Better Informed

The growth of public education and accompanying large increase in the number of persons throughout the world working to discover the secrets of life and to develop specifics against disease, leave little doubt that the surface barely has been scratched. A tantalizing thought in this field is the much sought "elixir of life," and while there is little if any possibility of science discovering any substance that will let us live indefinitely, nevertheless there are scientists who do believe that we can and should live a full hundred years. Which would surely be disastrous to annuity companies. But even if this millennium never appears, great progress undoubtedly will be made in our understanding of the human body, both in health and in disease; in appreciation of general sanitation, which means prevention of disease, and in discovery of antitoxins, serums and other specific treatment of disease, more particularly the degenerative affairs which cause so large a portion of general population mortality.

Authority Gives Views

Dr. Harry W. Dingman, vice-president and medical director, Continental Assurance, Chicago, one of the recognized authorities in his field, author of the valuable treatise on "Insurability and Prognosis," and one of the most advanced thinkers in life and accident and health insurance, has this to say on the subject:

"Those who have bought annuities have proved their ability to select against the companies. The companies have to assume they will experience average mortality on annuitants, but as in disability insurance, applicants know themselves better than the companies. In disability, those who fear disability because of something they know about their condition, want protection. In the case of annuities, persons who feel sure they will live a long time think about annuities. The ideal annuitant is one who buys life insurance and annuities about equally."

Annuitants Long-Lived

"The longevity of annuitants has been proverbial. Although the span of life has increased since the first of the century, not all the improvement has come as yet. In fact, great emphasis now is being placed on the degenerative diseases, such as heart trouble, cancer, etc. The improved life span so far has been due chiefly to improvement in treatment and control of infectious and contagious diseases. The largest field for health improvement now is one which will hit annuities—among elderly people."

"There are some medical men who believe that the next big advance in medicine will be either in the fields of dietetics or endocrinology (the study of internal glands and their secretions). When one thinks of dietetics one also thinks of vitamins and the great improvement in public health which has come with their discovery and knowledge of what they do. Obviously the replacement of body tissues depends upon diet, and as understanding broadens in the matter of proper fueling of the body, so will our bodies become more lasting."

"There is no doubt but we are merely

Brokers Turning to Life Insurance

Slump in General Lines Causes Interest in Developing Personal Cover

SEE TWO-FOLD REASON

Time Is Better Spent Nowadays in Caring for Fire and Casualty Clients' Other Needs

NEW YORK, March 24.—With business slow in general insurance lines, brokerage solicitors of life agencies are finding an increasing response from general brokers on appeal to utilize their fire and casualty contacts to sell life insurance.

There is a two-fold argument for general brokers to make the most of their contacts and actively push the sale of life insurance. First, they now have the time to give to it, as they well know that more than a certain amount of effort in trying to get in fire or casualty business is practically wasted.

Avenue of Attack

Second, they realize that if a full-time life agent gets their client's life business, he is more than likely to try to get the general business as well. Aggressive life agents are not overlooking any bets and a surprisingly large number of them have general insurance business on the side, business that comes to them from their life clients merely for the asking.

Thus the broker has not only prospect of being richly rewarded for the time spent in selling life insurance when he could not profitably be employed otherwise, but he also faces the chance of losing general business to the life agent who takes the life business of a client with whom the broker has the inside track.

Eubank Lodges Plan

The importance of life business to the general broker is shown by a recent bulletin sent out to brokers by G. A. Eubank, manager life department, Johnson & Higgins, urging agents and brokers to enroll in the New York University life insurance training course.

One factor which tends to hold down the volume of brokerage business is the amount of time that brokers are being forced to spend in the collection of premiums from their fire and casualty clients. Some, however, who have found the selling of life insurance more profitable than their general lines, have turned over the collecting of premiums on the latter to a larger office, on a percentage basis, leaving themselves more time for the life end.

on the threshold of understanding what are the many important functions of the internal glands. The thyroid, for instance; the supra-renal, the sex glands, and all of them. They motivate us and determine our ambitions, temperament and character. When science makes it possible to supplement the glands' functions artificially (a field in which considerable advance already has been made), control of these motivating forces will become more than a mere possibility."

Dr. Dingman illustrated the advance of science and public health education with figures of the Metropolitan which he considers more or less a "cross-section." Death claims due to typhoid were

(CONTINUED ON PAGE 27)

Attendance of 400 at the Sales Congress in Toledo

PROGRAM IS OF HIGH ORDER

Steler Urges Attention to Small Buyer
—Bloxham Advocates Less Pre-occupation With Past

TOLEDO, March 24.—Approximately 400 agents from Toledo and northwestern Ohio gathered for the annual sales congress sponsored by the Toledo Association of Life Underwriters.

Gus D. Koehler, president of the Toledo association, delivered the address of welcome. W. H. Forestelle was chairman of the morning session and Norman Magoffin had charge in the afternoon.

Albert Steler of the Mutual Benefit Life, Detroit, who has led his company in number of lives for seven consecutive years, was the first speaker. He urged soliciting the little cases, emphasizing the importance of maintaining steady volume of production, and asserting that the men who work steadily at the smaller amounts would find eventually that they had profited as much or more than if they had tried for the larger policies.

Mr. Steler pointed out that the bulk of insurance business consists of policies under \$25,000 and that the average agent spends no more than one hour a day in the presence of prospects.

Elbert Storer on Property

Elbert Storer, president National Association, delivered his well known address on "Life Insurance as Property."

The afternoon speakers were D. J. Bloxham of the Travelers and R. E. Coolidge of the Aetna Life, Cleveland, who is president of the Cleveland association. Mr. Bloxham's topic was "The

February Ordinary Life Volume Off 8 Percent

Ordinary life sales were off 8 percent in February and 12 percent for the 12 months ending Jan. 31, according to the Life Insurance Sales Research Bureau. The north central states showed the poorest experience while the Pacific Coast was the best. February sales in Boston showed a 3 percent gain, but they were off 22 percent in Chicago, 14 percent in Cleveland, 10 percent in Detroit, 8 percent in New York and 14 percent in Philadelphia. A comparison of the sales by sections follows:

	12 Mos. Feb., 1932	Ending to Jan. Feb., 1931	31, 1932 Percent	Percent
United States Total.....	92	88		
New England	95	94		
Middle Atlantic.....	92	91		
East North Central.....	89	87		
West North Central.....	86	85		
South Atlantic	95	89		
East South Central.....	94	80		
West South Central.....	90	81		
Mountain	91	83		
Pacific	99	82		

Modern Viewpoint of Modern Insurance," while Mr. Coolidge discussed "The Interview."

Mr. Bloxham compared the business world of today to a fan-tail whiffle tree bird which flies backwards to see where it has been without a thought of where it is going. He said that psychologists have estimated that 85 percent of the average individual's thinking is about the past and only about 15 percent about the future.

"The best advertised thing in America today," he said, "is the depression. We live in an old world. I want to impress upon you that there are opportunities in depression. Foundations for fortunes are laid in these times. Quality of salesmanship is bound to improve."

Some Life Agents Making Poor Use of Non-Can Form

LITTLE AGGRESSIVE SELLING

Coverage Is Offered by Many Producers Only When Prospect Asks About Disability

Those few non-can companies which are attempting to educate agents of life companies to sell non-can instead of disability, where the life company has discontinued that feature, are experiencing a number of problems.

One of the problems is the tendency of life agents to offer non-cancellable accident and health only when the prospect of his own initiative asks about disability. The person who, without solicitation, is interested in buying disability, is likely to be a poor non-can risk. Accordingly, some of the non-can companies are getting a much higher proportion of poor offerings from life agents than from their own agents.

Want Aggressive Agents

Those non-can companies which are ambitious to fill the disability void usually come to a friendly understanding with the life company, which is discontinuing disability, or with certain general agents. If the life company or general agent is sympathetic with the idea of permitting the non-can companies to approach its agents, representatives of the non-can company strive to select the cream of the agency force for the work. Agents are wanted who will present the noncancelable feature as an integral part of the protection, which is being solicited.

The agency departments of practically all life companies have created sales talks for their agents based on the idea of protection in the event of pre-

mature death; a savings fund for emergency and to take advantage of opportunities; income in the event of disability and a monthly income for old age.

Would Mean Better Selection

Removal of disability or disability on the \$5 basis makes these sales talks much less pat. But many agents are continuing to use these talks with the disability benefit eliminated. Probably from the non-can companies' point of view, the best agent is one who makes intelligent use of such a sales talk and would continue to use it on the theory that the prospect could obtain non-cancellable accident and health. Better risks would be submitted than if the agent were merely using the non-can facilities to protect his business when the prospect asks for disability.

Drop in Agents Licenses in Michigan, Report Shows

Commissioner Livingston of Michigan, at the request of George Brown, secretary of the Michigan Association of Insurance Agents, has released figures on the number and classification of agency licenses issued in his state. R. M. Morse is head of the agency license division of the Michigan department. From April 1, 1931, to March 15 of this year, the Michigan department has issued 71,719 licenses. Of that number 16,783 were life; 23,691 casualty and 30,125 fire. There were 1,120 non-stock fire and casualty agents' licenses issued.

During the preceding year about 82,000 licenses were issued. There has been a falling off, therefore, of about 10,000.

The 16,783 life licenses include about 12,000 agents representing but one life company. The 53,816 fire and casualty licenses have been issued to 13,454 agents, giving an average of four companies to an agent.



Trade Mark Reg. U. S. Pat. Off.

Tune in WSM

THE 32nd annual financial statement marks another impressive periodic record of achievement for the Shield Company.

Life Insurance in force increased over \$6,500,000.00 in 1931 in spite of conditions. Assets as of December 31, 1931 have reached the imposing total of \$32,183,579.97, more than enough to make \$1.465 for each \$1.00 of legal liability. Claims paid in 1931 were \$6,418,063.09.

This latest financial record which shows the strength and soundness of The National Life and Accident is only another of the many reasons why "It pays to be a Shield Man."

The NATIONAL LIFE and ACCIDENT INSURANCE CO., Inc.
Nashville, Tennessee

Dr. Huebner, Holgar Johnson, Other Leaders at Boston Meet

More than 1,300 attended the annual sales congress of the Boston Life Underwriters Association last week.

Rev. Frederick Olsen, Kittery, Me., opened the morning program. "A man or organization without insurance is like an automobile without a spare tire," he said. "Inevitable trouble is ever ahead, often intensified to a terrible degree by inability to meet it, when insurance would mean ability to meet the emergency and continue to carry on. For lack of adequate insurance many a man and many a firm have found an untimely end to their plans and even their life."

"There is, however, much need for intelligent instruction on placing of life insurance. You must tailor the goods to fit the man; every man should have tailored insurance; his insurance should fit his needs and his possible emergencies. Insurance in general may have its place for some but the discriminating will have particular insurance."

Must Conquer Fear

Ray C. Ellis, New York City general agent Home Life of New York, said the emotion of fear is the "Black Shadow" with which every salesman has to contend and it is most destructive and inimical.

Dr. S. S. Huebner, University of Pennsylvania, spoke on "Business Reverse Insurance."

In his introductory remarks he emphasized the investment concept of life insurance. The economic functions of life insurance are three in number, and all of them represent the investment idea. In the first place life insurance guarantees to the insured the completion of a decent investment estate in the event that premature death should prevent him from accumulating such an estate through his own savings and investment effort. Secondly, in the event of continued life, life insurance protects the insured against his natural failings in the field of thrift and investment, and thus enables him to accumulate a decent investment estate before the age of retirement from active work is reached. Thirdly, life insurance serves as an emergency measure, and thus enables the injured to protect the non-life insurance portion of his estate when the acid test of an economic emergency arises. This is a particularly important function just at the present time when we find ourselves in the midst of one of the most serious business convulsions ever visited upon the economic life of the nation. Those who have accumulated adequate life insurance cash values, certainly have an available and unshrinkable reserve fund upon which to place their dependence.

Put Soul in Sale

Charles G. Taylor, third vice-president Metropolitan Life, spoke on "The Soul in the Sale." He called attention to the fact that life men in recent months have been studying all angles of selling. Education has been the watchword of the day.

Life men may have been giving too much thought to plans, programs and education and not enough to cultivation of the spirit of life insurance. He hopes that the day will soon come when not only the intellect but the soul of the thing will be in what the salesman does. Any life man can have programs to fit every need yet be as cold and unsympathetic as an icicle. Actuaries can make out tables but they lack the human touch. Unless an underwriter remembers that he is taking something to the public every day that is good for them, he loses much of his effectiveness.

Holgar J. Johnson, Pittsburgh general agent Penn Mutual Life, spoke on "Our Selling Theme, Necessity or Desirability—Which?" "The American public, in the past two years," he said, "has

learned that the institution of life insurance actually does what heretofore has been taken in faith and on what you and I have said would be done. The public has found the institution of life insurance a bulwark of strength in a period when liquid assets almost disappeared. They have found life insurance a refuge. All this should mean that within the next five years we will go into the greatest era of life insurance sales, but this era will demand intelligent selling and may I say that I believe it will be an era of enlightened distribution.

Two Phases to Present

"What would be our selling theme during this coming period? Should it be the desirability of life insurance or the necessity of life insurance or both? Considering the desirability, we have discovered and presented life insurance as an investment until we are actually being sold on it. Life insurance is absolutely the best investment in the world for the average man. Another phase of desirability is the stabilizing force of life insurance through the creation of reserve assets. These reserves provide the margin of safety which gives courage for new business ventures, tides over periods of economic disturbance, creates funds that can be used during periods of unemployment, creates a peace of mind and a freedom from fear. However, the inroads that have been made on these stabilizing reserves in the past two years create a distinct challenge. They must be rehabilitated at once when sound economic conditions return. Life insurance is the most desirable form of property a man can own, but the impending future demands we give considerable thought to presenting the necessity of life insurance as well.

Stress Security Nowdays

"The American public finds itself with a reduced income. I believe it will be necessary for you and me to turn again to the simple functions of life insurance such as providing for economic security for the family and the security of the policyholder in the providing of his own retirement structure. These needs will be just as pressing in the future as they have ever been. Today, with a reduced income and with a still high standard of living and a lower margin of capital available for the building of this future security, a man necessarily must turn to the institution of life insurance as the one institution that will permit the building of this future security for his family and himself with the least possible financial outlay. Thus in the future we need not confine ourselves to either the necessity nor the desirability of life insurance, but rather combine the two in our sales theme in such a way that we present the most salable product or service that any group of salesmen have to present."

Double Business in Depression

Samuel I. Vogelson, Philadelphia, leading producer Equitable Life, proved most entertaining in discussing "Depression Business." He told of his career, starting a few years back with the writing of \$49,000 the first year; getting interested in business life insurance and applying the principles to the smaller fellows, and keeping on until he was able to write \$2,070,000 last year in the depression period. He doubled his production in both 1930 and 1931 because, as he said, "they couldn't lick me with fear." He merely went out to cover the needs of the public, worked harder and saw more people. Sixty percent of his new business has been secured from old policyholders. He has his policyholders cover their loans with increased life insurance as a reserve. He sold one million dollars worth of annuities

(CONTINUED ON PAGE 28)

New York Life's Radio Programs

"Great Personalities" by Frazier Hunt

March 29:

A story about Oliver Wendell Holmes, jurist and for nearly thirty years Associate Justice of the United States Supreme Court, son of the "Autocrat of the Breakfast Table." Justice Holmes, who has only recently retired from his judicial office, has reached the grand age of ninety-one with undiminished intellectual powers, — a truly "Great Personality."

The agents of all companies are invited to tune in on our programs every Tuesday evening on any of the following stations:

9:30 Eastern Time.....	New York	(WJZ)
" " "	Boston	(WBZ)
" " "	Springfield	(WBZA)
" " "	Baltimore	(WBAL)
" " "	Richmond	(WRVA)
" " "	Jacksonville	(WJAX)
" " "	Rochester	(WHAM)
" " "	Cleveland	(WGAR)
" " "	Pittsburg	(KDKA)
" " "	Detroit	(WJR)
" " "	Cincinnati	(WLW)
8:30 Central Time.....	Chicago	(WENR)
" " "	St. Louis	(KWK)
" " "	Kansas City	(WREN)
" " "	Council Bluffs, Ia.	(KOIL)



HOME OFFICE BUILDING

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE

NEW YORK, N. Y.

AMERICA Life Insurance Conscious!

America is more life insurance conscious today than ever before in the history of the country. Men are buying life insurance today for its investment value as well as for protection. The agent who is equipped to present a modernly arranged, sound life insurance program combining investment for the future with protection against physical and economic death is assured success.

The Missouri State Life Agent's multiple line "Kit" provides just such a program.

*Life—Accident—Health—
Group—Salary Savings*



MISSOURI STATE LIFE INSURANCE COMPANY

Home Office, St. Louis

A GOOD COMPANY TO REPRESENT

High Production Goal for 1932 Set by C. F. Williams

PRESIDENT INSPIRES AGENTS

More Than 300 Field Representatives
at Western & Southern Annual
Convention in Cincinnati

"The year 1932 is to be one of outstanding achievement. Our aim is 100 million dollars paid-for ordinary and 60 million dollars industrial increase." That was the declaration of President C. F. Williams of the Western & Southern Life at its annual convention in Cincinnati.

There were more than 300 managers, superintendents and agents in attendance. The theme was the "Hanger-on vs. the Producer."

Cards distributed among the delegates showed that of 2,195 agents in 1931 approximately one-fourth showed an industrial increase per week of less than 10 cents, and ordinary net issue per month of \$1,428, whereas 40 percent showed an industrial increase per week of 35 cents and over, and an ordinary net issue per month of \$1,748.

Another exhibit showed that of 421 superintendents in 1931, the staffs of 35 percent showed an industrial increase, per week, per agent, of less than 10 cents and an ordinary net issue per month, per man, of \$706, whereas the staffs of 37 percent of superintendents showed an industrial increase per week, per agent, of more than 20 cents and an ordinary net issue per man, of about \$1,000.

It was repeatedly brought out by home office speakers that the poorer one-third of superintendents not only showed a debit decrease but, in addition, deprived themselves and fellow-workers of money they should have received in special salary. It was said that supervision would convert the "hangers-on" into producers.

President Williams presided throughout the open sessions. He said he was eager to have producers paid in accordance with production but was equally eager to have those who could not produce either helped or eliminated.

Medical Director Speaks

Medical Director Robinson said there had been constantly improved selection in both ordinary and industrial risks and complimented the field force.

Vice-president John F. Ruehlmann, speaking on "Two-fisted Production," said that industrial alone was not enough and ordinary alone was not enough; it took two-fisted fighting to be a real producer, to be satisfactory to the company and to make a satisfactory personal income.

W. A. Doody delighted the convention with his newspaperman's wit in speaking on "Fire and Casualty Production." He stressed the fact that most policyholders do not know the terms of their contracts.

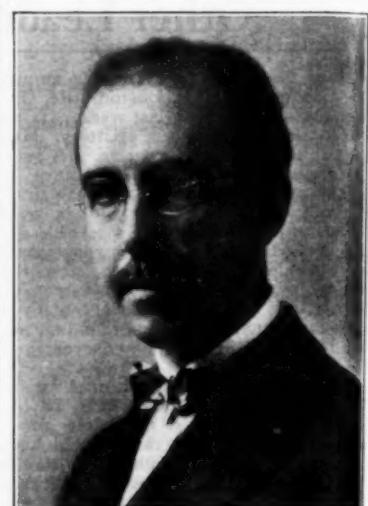
Joseph O'Meara, Jr., associate counsel, spoke on "Law and Production;" Lauren Schram, assistant secretary, on "Century Club Production," saying that one agent was already a member of the club and some 200 were on their way.

A. O. Payton, field secretary, developed the subject, "Find Where the Money Is," and R. J. Learson, assistant actuary, speaking on "Selection in Production," showed that certain policies and prospects of certain ages showed a much better persistency than other.

J. L. Morgan, manager field personnel department, told of the results of his department for the past year. He said that often a manager or superintendent would recommend a prospective agent but that further home office inspection would show that the applicant was not entitled to a position. He advised more careful preliminary investigation.

J. J. Doyle, manager of publications,

Depression Proof



ABNER THORP, JR.

Abner Thorp, Jr., editor of the "Diamond Life Bulletins," published by THE NATIONAL UNDERWRITER, has gotten out a pamphlet entitled, "Depression Proof," which is the first definite and scientific analysis published showing just why life insurance companies do not fail, and why they are really depression proof. Mr. Thorp shows that these institutions have a setup unique in finance which no other institution enjoys. It is a 32-page booklet and is useful to any agent, whether he represents a large or small company, one in the east or west, stock or mutual. A sample order of eight booklets is sent for \$1. Banks and building associations have slipped, stocks and bonds have gone sour, real estate values are down but Mr. Thorp points out how a life company can be safe when it owns bonds, mortgages and real estate.

brought the delegates to their feet as he talked on "Production and How."

Divisional conferences were held by Superintendents S. H. Smith, C. J. Holloway, J. D. Cassidy and H. T. Head.

Declare Charity Organizations Are Forcing Cash Surrenders

Some of the life companies and especially those doing an industrial business are complaining of the charity organizations insisting that before any help is granted, if there be life insurance carried, these policies be surrendered and the cash taken. Some companies declare that they are getting more and more requests of this kind. In most cases the policy is assigned to a charity organization and it makes the demand for surrender or a loan. In most instances a surrender is asked. The point is made by some of the executives that this is an unfortunate line of procedure. Families should be allowed to keep their insurance so that when they do get in better shape they can carry it along and not have to start over again.

Verdict Was for Accident

A jury in a court at Columbus, O., awarded the estate of the late W. V. Harrison, former manager Redpath Chautauqua Bureau in that city, a verdict of \$57,500 against the Midland Mutual Life. Mr. Harrison died in a fall from a window on the 15th floor of the Union League Club in Chicago. There was a one year incontestable clause in the policy and the Midland Mutual contested the claim on the ground of suicide. The jury however decided death was due to accident.

Detroit Banks Protest Charge Pressure Exerted on Insureds

Protests have been received from two Detroit bankers about the article in THE NATIONAL UNDERWRITER of Feb. 26 to the effect that Detroit banks are urging insureds to liquidate their bank loans by surrendering their policies.

A. D. Jamieson, vice-president of the Union Guardian Trust Company, writes as follows:

"With reference to the definite statement in the article that banks had often learned from trust companies the extent and character of insurance carried we wish to state that we have not, and will not disclose to any bank or individual, information as to the extent and character of insurance deposited with us as a basis for life insurance trusts. Unless authorized by our clients, we have not, and would not disclose such information, even to the collateral loan department of our own institution, regarding such information as confidential.

No Pressure Exerted

"Further, so far as we have been able to ascertain, no pressure to force policy surrenders has been exerted by officers or other staff members of the Guardian National Bank of Commerce, a unit of the Guardian Detroit Union Group, of

which the Union Guardian Trust Company is also a member. While it is true that some bank customers have deposited or assigned insurance policies for the purpose of protecting collateral loans, and in some cases may have withdrawn such insurance from life insurance trusts, it is quite obvious that the individuals in question must have voluntarily furnished the bank with such data as they requested.

"As a matter of fact, it is well known among the insurance fraternity and those familiar with trust company policy, that the trust companies have gone full length for many years past in advertising and advocating the merits of life insurance. Our own company has definitely and consistently worked to keep life insurance in force to the extent of publishing special advertisements under the caption, 'Don't Let Your Insurance Lapse.' It is hardly conceivable that trust companies, believing in these policies, would be so inconsistent as to lend themselves to any procedure which would look towards the surrender and lapsation of life insurance policies.

"We are quite sure that THE NATIONAL UNDERWRITER would not wish to have the

false impression, which must have been created by the Feb. 26 article, remain in the minds of its readers, and trust that you will give space to this letter or to such portions of it as will make our position clear."

Julius C. Peter, vice-president Detroit Trust Company, writes as follows:

"The impression insurance men reading this article would get is not only erroneous, but unjust and unfair to Detroit banks and trust companies. I am authorized to say on behalf of the First Wayne National Bank, with which we are affiliated, that they have not compelled the surrender of policies to liquidate bank loans, nor have they compelled the insured to borrow on his policies and apply the proceeds on his bank loan. On the contrary, they have been directly responsible for the taking out of new policies in certain cases to help cover deficiency loans.

"The Detroit Trust Company gives out no information to anyone regarding insurance trusts, or trusts of any other character, unless authorized to do so by the client. Trust information is kept inviolate, and no statement more derogatory to a trust company could be made than that they do not respect the confidences of their clients. In our opinion the article you printed seriously damages the reputation of trust companies for honorable dealing, and in all fairness you should attempt to correct this impression in a subsequent issue of your paper. By reason of the standing

of your paper in its field, such an article will receive all the more credence, and we, therefore, respectfully request that this correction be made."

Pennsylvania Federation Plans

Work has already started on the program for the annual meeting of the Pennsylvania Insurance Federation at the Necho-Allen hotel in Pottsville, May 25-26. A meeting of insurance men of Schuylkill county was held at Pottsville to start the ball rolling. The Pennsylvania Insurance Federation sponsors the annual program for "Pennsylvania Insurance Days." R. W. Teamer, secretary of the federation, was present at the meeting at Pottsville to confer with the agents regarding plans.

The following officers, all members of the general convention committee, were appointed: General convention chairman, W. E. Quinlin, superintendent Prudential Life; assistant general chairman, D. S. Emmert, superintendent Metropolitan Life; secretary to the general committee, Joseph McClellan, assistant superintendent Prudential Life; attendance committee, N. H. Rich, N. H. Rich agency; reception, J. F. Canfield, assistant superintendent Prudential Life; ladies' entertainment, W. S. Sheaffer, Sheaffer-Lowrey agency; finance, C. B. Sillyman, C. B. Sillyman agency; registration, M. J. Gallagher, superintendent Home Life of America; banquet and smoker, J. J. Mulroy, assistant superintendent Baltimore Life.



From Horse and Buggy Days To The Air Mail Age

THE Quarter Century marking the span of the Central Life's existence has been the most remarkable era in the story of mankind, witnessing achievements which make the story of Aladdin and his magic lamp fade into insignificance.

From horses and buggies to airplanes—from cigar store Indians to chromium and plate glass store fronts—from the cabinet organ to the radio—from a nation considered provincial by old world standards to the dominant factor in the affairs of mankind—all of these have happened during the 25 years of the Central Life's growth.

From a 20x75 storeroom in a small Illinois community to its present magnificent 16 story home in Chicago, the great metropolis of the great Central West—from Ordinary Life and 20 Payment Life policies to its "Silver Jubilee Policy"—the Central Life Insurance Company of Illinois has kept step with the "March of Progress".

A Complete Field System

1. FOR THE PUBLIC

—low non-par rates, complete line of policies including Juvenile and sub-standard, Double Indemnity and Total Disability.

2. FOR GENERAL AGENTS

—liberal contracts backed by complete information, materials and assistance in Agency building.

3. FOR AGENTS

—liberal contracts plus everything needed for field success: A condensed training plan, a fool-proof Sales Kit; Agency Meetings, individual counsel and assistance.

SUCCESSFUL men looking for a PERMANENT agency connection in Ohio, Michigan, Illinois or Indiana are invited to communicate with Frank M. Hayes, Vice-President and Agency Director.

THE FEDERAL RESERVE Life Insurance Company

Kansas City, Kansas

Insurance Is on Threshold of New Era of Expansion

DETROIT, March 24.—When normal conditions return the public will have more respect for and confidence in life insurance than ever before, and the industry is therefore on the very threshold of a new era of expansion, J. E. Little, actuary Maccabees and vice-president of the Detroit Actuarial Club, told the members of that organization at their March meeting.

"Legal reserve life insurance will in turn enable the public to continue to accumulate against the inevitable contingencies of life, guard against impaired earnings and purchasing power and thereby tend to stabilize future economic depressions," said Mr. Little. "I believe that life insurance as a saving should be stressed more than it usually is. Proponents of term insurance advocate buying protection as cheaply as possible and saving the difference in cost. If we had the strength of character required to carry out a systematic saving plan against all obstacles and temptations it might be sound to avoid higher priced plans of insurance. Our good resolutions to save, however, are too easily broken."

Actuary Rohm of the American Life, Detroit, discussed several types of annuities and investment bonds now being sold by various companies and the meeting was closed by a discussion of the problems surrounding investment insurance and low priced plans.

Says Casting Aspersions Will Destroy Confidence

DETROIT, March 24.—Commissioner C. D. Livingston, president National Convention of Insurance Commissioners, talking on "Maintaining Confidence," said before the sales congress here that improvement is being retarded by the agents themselves.

"When you cast aspersions on the solidity or solvency of another company, you destroy confidence in your own company as well, because the public has sense enough to know that conditions that affect one company affect them all," said the commissioner. "We know that the substantial investments

made by life companies are fundamentally sound, although they are depreciated somewhat in value at the present time.

Artificial Depression Created

"We cannot say just what the real value of stocks or bonds is today because we have 100 sellers for every buyer, which creates an artificial depression in selling values. Life companies are not obliged to sell their securities. Their liabilities are always deferred liabilities. The daily income of the companies far exceeds death claims and leaves a surplus for operating and investment. These investments will reach their true value long before these deferred liabilities become due in 10, 20 or 50 years.

Destructive Selling Methods

"I am greatly disturbed because of the flood of mail reaching me asking for information on the solvency and reliability of companies. This means that many agents are using destructive selling methods in order to gain an advantage over their competitors. This must stop. Those who sell this way are killing the goose that lays the golden egg. I beseech you to stamp out this sly, contemptible propaganda. I object strongly to the practice of assigning life insurance to financial institutions to protect loans. If these institutions want term insurance to protect their loans, all right, but don't let your clients jeopardize their insurance that was taken out to protect their families."

Metropolitan Mortality Ratio on Its Ordinary Business

Reflecting the remarkable health enjoyed by all classes in the United States and Canada in 1931, the Metropolitan Life announces that the ratio of actual to expected mortality in its ordinary department in 1931 was 62.38 percent. This ratio is a composite figure, including all classes of insurance handled in its ordinary department, in some of which branches the mortality margin is greater than in others.

In the different branches, the ratio of actual to expected mortality on the net amount at risk on the basis of gain and loss figure, is as follows: Ordinary, 51.01 percent; intermediate, 66.85; special class, 66.4; reinsured and assumed companies, 88.34, and group, 86.1.

Text of Warner's Warning

The text of the letter, condemning malicious attacks on life companies, which Superintendent Warner of Ohio is sending out, is as follows:

"Beg to advise that complaints, oral and written, have come to the Ohio insurance department, to the effect that several outstanding life insurance companies, admitted in Ohio, are being maliciously attacked through the medium of publications and pamphlets from irresponsible sources, the effect of which might, when used in competition, undermine the public confidence in the insurance business. I have been informed that such printed publications have been used in competition with the companies attacked.

"I have also been asked by general agents and groups of underwriters for an expression of the attitude of this department upon this question.

Testimony of the License

"It would seem that if and when an insurance company is licensed to do business in Ohio, that fact alone should weigh more than the malicious and unauthorized statement from an irresponsible source, as to said company's solvency. It is inconceivable that a representative of any insurance company would resort to this unsportsmanlike and illegal method in his writing. If the question of the solvency of any insurance company is to be determined,

or is a factor in competition, that question is one for the Ohio department to determine, and not the agent in possession of a printed pamphlet from a malicious source. Such methods should be scorned as being beneath the dignity of one engaged in this great business. Such conduct is also a direct reflection upon the insurance department of Ohio, which is, by law, charged with the duty of passing upon the solvency of all companies licensed in Ohio.

Will Take Summary Action

"The laws of Ohio forbid, and the rules of the Ohio insurance department will not tolerate this unfair, illegal method of obtaining insurance business, and will take summary action against anyone engaged in same.

"Knowing the high character of the general agents, and their desire to maintain the high standards which they have established for themselves and the life insurance business, the superintendent of insurance of the state of Ohio is asking your cooperation in disseminating among the field men, and the insurance fraternity at large, the importance of stamping out illegal and vicious practices which can only in the end tend to slowly undermine the great institution of life insurance, which has stood as a bulwark against the great onslaughts of world-wide financial and economic distress."

Chandler Named President by the Illinois Federation

ANNUAL MEETING IN CHICAGO

Superintendent Hanson Brings Message of Cooperation from Governor and Insurance Department

F. M. Chandler, co-manager of Jones & Whitlock's Chicago office, unanimously was elected president of the Illinois Insurance Federation at the annual meeting in Chicago, which was attended by a number of notables, including Superintendent H. W. Hanson of Illinois and his son, H. Walter Hanson, Jr.

Hamilton Elected Vice-president

Vice-presidents elected were: C. H. Burras, president Joyce & Co., Chicago; I. M. Hamilton, president Federal Life, Chicago; W. E. Hodnett of the Hodnett Company, Lincoln; L. J. Kempf, Travelers, Chicago; J. C. Lanphier, Jr., Springfield; F. P. Lavin, president Insurance Brokers Association, and H. M. O'Brien, vice-president Lincoln Fire, Chicago. E. M. Ackerman was re-elected secretary-treasurer.

Mr. Hanson made a fine impression, batting for Governor Emmerson, whose address he read, committing him to a policy of minimum governmental interference in private business, and then putting in a word on his own account. Mr. Hanson said the department stands ready to be of service; is for all measures to help insurance and to put the racketeer out of business.

Government Only a Safeguard

Governor Emmerson's address stated that only when private business becomes so great and powerful that it affects the daily life of the people is a state justified in setting aside the instructive governmental duties and assuming regulatory powers, and even then, he said, every safeguard must be furnished to prevent interference with ordinary developments. He referred to the 22 constructive insurance measures presented to the last legislature, of which 20 became law. "Our greatest national asset is confidence," he said,

Outstanding Annuity Figures Dec. 31, 1931

The following table shows the outstanding annuities Dec. 31, 1931 of those companies operating in New York state, about which this information is now available. In the second column appear the number of contracts, while the third column gives annual income payments, including group annuity figures and income payments not yet due under deferred annuities.

Company	No.	Annual Income
Brooklyn Natl.	2	223
Church	55	18,531
Eastern		126
Guardian	445	236,347
Home, N. Y.	522	201,976
Manhattan	60	34,997
Metropolitan	2,710	27,139,881
Mutual, N. Y.	11,632	4,222,290
New York Life	15,596	11,702,530
N. A. Reassur.	1	1,000
Postal	41	62,344
Teachers Ins.	10,276	16,540,162
U. S. Life	45	15,031
Aetna	312	2,220,368
Bankers, Ia.	23	11,625
Berkshire		7,159
Columbian	50	27,500
Connecticut Genl.	1,639	429,471
Conn. Mutual	1,501	680,297
Equitable, Ia.	346	201,311
Fidelity Mutual	1,756	161,568
Massachusetts Mut.	1,287	669,783
Mutual Benefit	2,970	1,440,092
National, Vt.	3,301	1,447,209
N. E. Mutual	131	7,532
Prudential	4,961	8,788,026
State Mutual	334	146,157
Union Central	125	47,410
Union Mutual	60	8,280
Equitable, N. Y.	107,999	58,920,248
Phoenix Mutual	6,693	2,478,690

*57 Deferred; 19 immediate deferred.

"and confidence in the insurance companies is just as important as the millions of dollars of reserve on hand to meet claims."

A graphic picture of the tremendous decrease in national income and the unbearable load of taxation was presented by R. F. Munger, economist and financial editor of the Chicago "Daily News." He said national income was about \$90,000,000,000 in 1929, slumped to some \$76,000,000,000 in 1930, and decreased to some \$52,000,000,000 last year. He estimated this year it would be but \$46,000,000,000. The present governmental expenses of \$13,000,000,000 are an insufferable tax and must be reduced.

Ives Criticizes Heavy Taxes

H. S. Ives, special counsel Association of Casualty & Surety Executives, New York, talked on "Our Political Delirium," pointing out how far the government had entered the insurance business, and also criticizing heavy taxation.

H. M. O'Brien, retiring president, presided, and J. A. O. Preus, former Minnesota commissioner, now vice-president of W. A. Alexander & Co., Chicago, was toastmaster. A resolution was adopted praising the administration of Superintendent Hanson and pledging cooperation.

Each Interview Worth \$4 Sales Survey Indicates

Analysis of its production in the first five weeks this year leads the Northwestern National to believe that every interview is worth \$4.14. This value is based on a survey embracing 24,205 calls, 14,607 interviews and the sale of \$4,035,975 of insurance. The data was obtained from daily reports by agents in connection with the company's newly created "Power Battalion."

Physicians, Surgeons Best

Physicians and surgeons are the most profitable prospects, the survey indicates, this class showing a value of \$14.55 per interview. The average number of interviews to secure a sale on a physician or surgeon was 14.8. Students and children rank second with a value of \$7.14 per interview and 5.63 interviews were required to make a sale in this class. Investment houses, brokers, etc., rank third in value of interview, showing \$6.87, there being 18.55 interviews per sale.

In spite of agricultural conditions the

farmer shows up well, the average number of interviews per sale being only 7.05 and value of interview \$4.29, slightly above the general average.

Other Good Classifications

Other classifications which showed favorably were college presidents and professors with \$5.75 per interview; postal employees, mail carriers, etc., \$5.15 per interview; housewives, \$5.03 per interview; teachers, \$4.37 per interview, and dentists, \$4.22 per interview. Other classifications ranged below the average.

Analysis also was made of the average value of each interview in each of the company's ten leading agencies, the value ranging from \$6.71 to \$2.52.

In making the study, which is being continued, the following definition of an interview was used: "An interview is the presentation of a life insurance solicitation to an attentive listener prior to completing the application and the examination."



The March Horoscope

People born in the early part of March to the 20th inclusive come under the zodiacal sign Pisces whose influence largely tends to caution. Such persons are gifted with stick-to-it-iveness, and will meet with high success in life if they but can control the inclination to go out of their way to look for misfortune.

Famous persons born under Pisces are Pope Leo XIII, Alexander Graham Bell, Professor Roentgen the discoverer of the X-Rays, Andrew Jackson, James Madison, Grover Cleveland and William Jennings Bryan.

Aries rules over the last days of March and makes philosophers of many of his children. Such persons possess keen intellects and are great admirers of all things beautiful.

Famous men influenced by Aries are Van Dyke the painter, Descartes, Bach, Proctor the astronomer, John Fisk, Haydn, and Don Carlos.

The March flower is the Jonquil. The lucky stone is the Bloodstone. The predominant trait of March persons is Courage.

The year 1932, just under way, will be a good year if we expect less of it and demand more of ourselves. Now, more than ever, Courage is the keynote of success.



Royal Union Life Insurance Company Des Moines, Iowa

A. C. TUCKER
Chairman of the Board

J. J. SHAMBAUGH
President

Compare These Participating Rates!

A Few of Our Participating Policies with Rates per \$1,000 at Age 35.

Endowment at Age 85.....	\$21.81
Economic Protector (Low Cost Whole Life).....	15.32
The Pure Protector (Low Cost Whole Life with Adjustable Options).....	16.58
Preferred Modified Whole Life.....	19.70
Family Income, 20 Year Plan.....	27.31
Endowment at Age 65.....	28.58
Retirement Income at Age 60.....	43.03
Retirement Income at Age 65.....	32.70
Twenty Year Endowment.....	42.76
Twenty Payment Life.....	30.04
Thirty Payment Life.....	24.30
Paid Up at Age 60.....	26.44
Yearly Renewable Term.....	9.68

Also Attractive Annuities and Juvenile Policies

A Real Opportunity in Twenty-Six States for Live Men with an Aggressive Organization

Write F. A. Hicks, Superintendent of Agents, for Details of Our Liberal Agency Contracts

GUARANTEE MUTUAL LIFE COMPANY

A Mutual Legal Reserve Life Insurance Company

Omaha, Nebr.

ORGANIZED 1901

San Antonio Agent Criticises "Meeting Objections" Sales Talk

A. S. Doerr, who represents the Southland Life at San Antonio, is author of the following communication:

"This letter is prompted by several controversial matters which have been discussed in your columns lately and by the opening phrase in your editorial in the issue of March 4.

"So far as I know we are the only institution in the world offering what we have to sell on the premise (at least implied) that the people do not want it. Much of our selling education is based on such thoughts as 'Meeting Objections' and 'Answering Arguments' and the editorial to which I refer opens with 'There is no greater sales argument for insurance.' Who but a life insurance man ever heard of an argument as a basis for a sale?

Create Understanding

"Our sales education, instead of meeting objections and answering arguments, should be to create understanding, for who, knowing what we have, would not want it? What man among us insurance men, and we are a fair average, does not want to create an estate, care for his family and dependents, have his home paid for, comfort for age, and the peace of mind which all these bring? These are the things a man gets when he acquires life insurance properly planned for him and his needs.

"Nor have I much patience with the idea, still somewhat prevalent, that life insurance as a business has a corner on sentiment, for the same sentiment or love of family that prompts a man to provide for their comfort and pleasure will, at the dictate of prudence, cause him to acquire life insurance when he understands how it will help him get where he wants to go and do for him and his loved ones the things that he and they want done. We do men wrong when we assume they do not want what we have. The trouble has been that we have failed to let them know we have it—we have been too busy trying to sell a policy. Too often our idea has been to find something to sell rather than a purpose to serve and that may be the reason for our having only something over 100 billions in force after nearly 100 years of effort.

Cheap Policy Dispute

"I note the controversy lately concerning what should be company policy with regard to writing cheap forms of insurance, or insurance for protection only and without investment features. One prominent agent goes so far as to say the companies should discontinue the writing of cheaper plans. He is wrong.

"This agent, along with many more

First 10 Per Cent Dividend Paid on International Life

ST. LOUIS, March 24.—Stockholders of the International Life of St. Louis, which collapsed in August, 1928, will receive their first dividend of 10 percent or \$2.50 on each \$25 par value share of stock in the next few days. Federal Judge Davis approved the application of the receivers, Superintendent Thompson and Massey Wilson, for permission to pay the 10 percent dividend. The International Life had 37,500 shares of stock and the present dividend of \$93,750 will come from approximately \$150,000 in possession of the receivers. The reinsurance contract with the Missouri State Life provided that until an estimated deficit of about \$2,500,000 had been wiped out, the profits from International Life business should be divided 75 percent to the Missouri State Life

of us, is incensed at the increase of twisting, which has been made easier by policy loans and the conditions which have caused such loans to increase; and another agent suggests that policy loans should be prohibited altogether except for the purpose of paying premiums. He too is wrong. We should not destroy the services of life insurance contracts in an effort to cure evil practices.

"Company managers and general agents can go far in correcting evils by using more care in the selection of agents and by properly teaching the agents what we have and how to sell it. We should give them a vision of the opportunity for service which life insurance offers and how it compensates for service well performed and in exact ratio to honest endeavor.

Genius Not Needed

"It does not require genius to sell life insurance. Given common honesty and ordinary good sense with earnestness of purpose and a sincere desire to serve, the only genius needed is work. Now and again we think we have discovered a genius in our business and every time investigation will prove that his genius lay in well ordered work.

"In the scramble for volume of business, companies and agents too have often, by their methods, defeated the end sought. We have tied this, and that, and something else to the life insurance contract as a selling feature. From the start I doubted the wisdom of placing a non-cancellable health and accident feature such as income disability benefits in a life insurance contract but after they were added a thing, that, given a fair trial, might have worked out to advantage, was ruined by the companies themselves in their folly of liberalization, not to serve but to sell. We have not yet fairly started on liberalization to serve and when we do life insurance will have begun to come into full flower.

"My belief is that we have not yet touched even the fringe of our business. We have had an example since the great war of how the people will take to what we have as they understand it. The volume of new insurance written each year now is as much as was in force shortly before the war and the increase is due largely to the education of the public by columns of newspaper copy relating to the value and advantages of life insurance for the boys in the service. We may flatter ourselves with the thought that we did it but we are simply beneficiaries of something that was done for us and have not yet fully learned our lesson which I can sum up in the few words: Seek to expand our business by broadening the scope of its legitimate service and tell it to the people."

and 25 percent to the receivership of the International Life. When the deficit is finally paid off, the profits will be divided 75 percent to the International Life and 25 percent to the Missouri State. This latter arrangement will continue for 15 years after the deficit is finally liquidated.

W. L. Mason, attorney for the receivers, said that it is probable that International Life stockholders will receive another dividend next August. He estimated that within two or three years it will be possible to pay back the full par value of the stock.

Conservative estimates are that eventually the International Life stockholders will receive upward of \$50 a share. It is believed that the entire deficit will be wiped out within the next year.

"Banking and Business," by Willis and Edwards, is recommended for "C. L. U." study and can be obtained from The National Underwriter. \$3.50.

Benevolent Groups Offer New Form of Educational Cover

MADISON, WIS., March 24.—School children in some instances have gambled on the lives of old people by insuring them in benevolent societies, Commissioner H. J. Mortensen told district attorneys at their annual meeting here. The benevolent groups have sprung up in great numbers in late years.

Insure Old Hermit

"A group of school children near Madison pooled their pennies and insured an old hermit they thought was near death," Mr. Mortensen said, explaining that physical examination is not required by the societies and as a result almost any person can insure most anyone else.

"A boy, planning to enter the university, insured an elderly person in a benevolent group and collected \$800 when the person died shortly after," Mr. Mortensen said. "The youth remarked that if he could get three more such prospects he would have enough to pay his expenses at the university for four years."

"We received a letter from a man complaining that another man had taken out insurance on the first man's wife. She died later and the insurance was collected. The husband was indignant and wanted us to take some action."

Mr. Mortensen told of one man who insured his father and paid the fee with four Plymouth Rock hens. Later he became fearful of the bargain and wrote to the department to find out what sort of a company it was.

"The insurance department is very apprehensive of the results of these societies," Commissioner Mortensen declared. "They are so loosely constructed that the door is left open for fraud and misrepresentation."

"Any action taken against these groups is in the province of the district attorney," Mr. Mortensen said, "but he has full power under the statutes. All we can do is issue warnings."

Tax Deductions Limited by U. S. Court of Claims

The court of claims of the United States in Massachusetts Mutual vs. United States has held that a mutual life company is not entitled under the revenue act of 1921, to a deduction of 4 percent of the mean of its reserve for dividends left with the company to accumulate at interest, dividends or other profits due policyholders, dividends declared or apportioned, and policy claims as "reserve funds required by law."

The commissioner of internal revenue disallowed a deduction by the Massachusetts Mutual for 1923 of \$448,664, being 4 percent of an \$1,216,607 mean. The Massachusetts Mutual contended that it made an over-payment of \$56,083.

The Massachusetts Mutual contended that these reserves were required under the laws of Massachusetts and Connecticut on account of its doing business in those states. The court of claims, however, limited the deduction of 4 percent of the mean of the "reserve fund required by law" to the reinsurance reserve.

"All reserves," the court said, "required by state statutes or state officials are not reserves required by law within the meaning of the federal statute and only those may be considered reserves required by law which aid in determining what portion of the gross premium constitutes the net income of a life insurance company for the purposes of the federal statute."

Nashville Manager Advocates Selling But Three Policy Types

J. Carter Witt, Nashville manager for the Fidelity Mutual Life, is author of the following communication:

My attention was attracted by the attempt on the part of Alexander Patterson of Chicago to stage a debate between G. A. Eubank, championing the low rate contract, with Leon Gilbert Simon attacking.

I agree with Mr. Eubank that a public debate on the subject is not in order, nor could any constructive benefit be derived from such a drama.

Mr. Eubank stated facts when he said, "The public pays the freight and I will let it decide the issue." We do not have to examine the records very closely to determine the type of policy contracts that predominate in the billions of dollars of insurance in force. These findings will not change regardless of the depression. Fads in business as in dress are brought on with a rush but quickly pass on leaving the tested and proven more firmly entrenched than ever.

I wonder if Mr. Simon especially realizes that New York City does not comprise the whole United States. My experience has not been from platforms, but in actual contact in perhaps 25 states. For example, down here in the southland where several millions of people reside we find conditions entirely the opposite from those in New York and the New England states. There are thousands of families down here that are lost financially, which means economically speaking, they do not have a ghost of a chance to really live, but are almost resigned to their fate of eking out a bare existence. Do you know that 90 percent of the total employed earn less than \$1,500 per year in this fair Dixieland?

Doesn't the poor man, who represents the vast majority in this country, have the right to receive the greatest benefits that come to men who are able to secure life insurance? The majority of life companies are supposed to be owned by their members. Their actual to expected mortality proves their safe position as well as their prosperity, so why expound the pros and cons of low rate or low cost insurance unless for

the sake of publicizing oneself or for the purpose of selfish gain.

I have sold insurance for many years in many territories under all kinds of conditions, and I have represented a nonpar company that offered modified life, term expectancy, etc., and I have sold plenty of it. I have also sold participating for a stock company. I am now selling purely mutual for an eastern company that does not offer cheap policies. I find higher premium and permanent forms are easier to sell. But there are too many people who are in desperate need of life insurance protection to say that these low rate policies do not have their place. They are certainly far from being a menace to the business, but if they should be considered as such immediately and their sale entirely restricted, then I would say the life insurance business will have defeated its purpose and become too "ritzy" for us poor underfed southern Demo-Republicans. However such a restriction would perhaps enable some of our New York contemporaries to fill their coffers with greater ease.

If we wish to place this business on an equal common sense business basis, stressing quality rather than quantity, then why not get behind your companies through your National associa-

(CONTINUED ON PAGE 28)

MODERNITY



Demand for greater speed and efficiency must be answered.
Now—quickly—so move modern interests. So, too, move transactions of these Companies.

Modern, geared to an age paced by split-second progress, Continental service answers the demand of modern interests.

Evidence of ability to keep pace is evidence of DURABILITY of this institution.

CONTINENTAL ASSURANCE

CHICAGO



CASUALTY COMPANIES

ILLINOIS

EVERYONE wants a Non-Cancellable

But heretofore only a few people could afford one.

The 1932 B. M. A. model Guaranteed Renewable Special was prepared to meet the demand of the times.

Regular Accident and Health provisions . . .

24 Months Aggregate Indemnity . . .

Rates within the reach of all.

The Guaranteed Renewable Special is just another addition to the already complete B. M. A. service.

BUSINESS MEN'S ASSURANCE COMPANY

Kansas City, Mo.

W. T. GRANT, President

Keeping Agents at Home Managers' Problem Today

Keeping the agent at home, so to speak, is becoming something of a problem in general agencies these days where, because of underwriting restrictions, producers are forced to broker much business.

In companies where the mortality has been high, directors have borne down upon executives and executives have borne down upon medical departments to reduce mortality and conserve surplus. Agents are finding that risks are rejected today, which were not questioned before the period of introspection, self-analysis, and criticism in life insurance set in. Accordingly, agents are inquisitive as to the underwriting practices of companies other than their own. They are looking for companies which are "loose."

Liberal Reputation

Word may pass along the street that a certain company is liberal in its underwriting. The agent submits risks to that company which have been turned down by his own. Perhaps the second company is erroneously classed as liberal, but does accept this particular piece of brokered business. The agent may then become dissatisfied with his own company and if he does not make a change, his loyalty is impaired.

If he does make a change and signs a contract with the second company, he is very likely to regret his step, for he will find that acceptance of his risk was a happenstance and did not represent a "loose" underwriting attitude.

Some general agents and agency managers have capitalized on the unrest in the agency ranks because of the underwriting restrictions. For instance, an agent may submit a piece of business to some other company than his own. The general agent for the second company being favorably impressed with the agent, might suggest, if he was able to place the business: "Have you ever seen our layout here. Let me take you around the office and show you what we have." He would be solicitous to show

Advantage Seen in C. L. U. Movement in Life Insurance

W. A. Craig of Philadelphia, general agent of the State Mutual Life, in speaking before the tri-states sales congress at Philadelphia this week on the C. L. U. degree says that the standard of agents has been raised by the movement. He thinks it will do much to develop a better class of agents. In commenting on this Mr. Craig said:

"This statement of fact should be carefully noted by the man older in the business of average achievement. The newcomer is entering this business with better initial equipment. He is being more thoughtfully and practically trained. As a consequence he is being brought more quickly to a production bracket that yields him a good income. It is his natural inclination to seek the C. L. U. designation. Now the buyers of life insurance are not going to be slow to sense that these men have the knowledge and the training that the public has a right to demand, in men who serve in our capacity! And what will be the consequence of all this? These new, but better equipped and more skillful underwriters will just naturally attract to them the lion's share of the business. So, it looks like just plain self-preservation that those of us already in the business, prepare to meet this kind of competition!"

the agent private rooms for the salesmen and other features of the office.

This practice is not usually indulged in by general agents, with a regard to their standing among competitors, but there is enough of it going on to upset the agency forces.

The underwriting complexion of the various companies is becoming well known to the established agent. For instance, he learns that one company can handle heart cases or that another does not have an absolute barrier against sugar cases, or that another is receptive towards aviation risks. Although many general agents do not fear that they will lose good agents because of this necessity for shopping around to get business placed, they do fear that it will divide the allegiance of their agency forces. The life insurance agent is closely attached to his company and that is one reason why life insurance has made such great strides in production, whereas property insurance has been slow in its salesmanship.

Watching Financial Angle

Companies are watching not only the medical but the financial angle closely. There has been some reaction in the field to the formula, which has been more or less agreed upon for some of the eastern companies, as to the relation between a man's earned income and the insurance he should be permitted to carry. Agents of those companies, which have been enforcing this formula, are getting into the brokerage habit.

Companies of moderate size, which were not effected so much by the craze for volume, are getting offers on lines today which they have not been wont to get. For instance two or three years ago a man in the market for \$750,000 insurance could get it from one of the ambitious companies, which would take care of its excess by reinsurance. But the reinsurers will under no circumstances stretch their treaties anymore and they have strict requirements in connection with optional business. Furthermore the quondam ambitious company may no longer be willing even to accept the line up to its net retention. Accordingly, the agent controlling the line parcels it out among many companies, including some who had not heretofore participated extensively in jumbo lines.

Some of It Welcome

Some of this business is welcome to those companies, which have not heretofore had much experience with it. Some underwriters feel that a big line, per se, is not an imposition upon the company and are willing to participate to a moderate extent.

Some general agents feel that the skittishness of their companies to large brokerage risks is occasioned by the fact that their companies think of brokerage risks in terms of New York. In that city, large firms exist for the sole purpose of brokering business, submitting the full line to several companies at the same time in the hope that some of it will stick, doctoring up risks and engaging in all sorts of high pressure methods.

Different in Other Cities

Those conditions do not exist to any great extent in other cities. Many large life insurance lines are offered to general insurance offices in other cities, where the insurance is wanted for legitimate purposes on a legitimate risk. Brokerage in New York means something different from brokerage in other large cities of the country. Some general agents feel that their companies fail to make that distinction and they say that brokerage business should not necessarily be anathema.

Approach, Explanation and Close and Method of Development in the Sale of Life Insurance Policies

John L. Wood, manager of the sales education and promotion division of the National Cash Register Company, in speaking before the sales congress at Philadelphia on the steps in the sale addressed himself to the approach, explanation and close. He said there is usually a reason for poor or unsatisfactory selling records. One of the adverse causes is no definite plans. Such a salesman depends largely on luck. He flounders around hoping the conversation will drift into favorable channels. That salesman needs to organize.

Another cause for poor results is that some salesmen are careless about personal appearance and equipment. This may not be a primary weakness but it certainly has real effect. When "dog-eared" printed matter is used it does not create a favorable impression. Early favorable impressions are important.

Another cause for poor approach is that the salesman is not really sold on the value of his product or service. Mr. Wood says to his salesmen, "If you cannot develop a deep seated, heart felt conviction that you are really helping the condition of your prospect then you are in the wrong business."

Salesman Not Equipped to Answer Objections

Another feature worthy of consideration in Mr. Wood's opinion is that many salesmen are not equipped to answer objections. Lack of knowledge causes lack of confidence. The agent is not sure of his ground and he cannot talk enthusiastically and sincerely.

Mr. Wood stated that a prospect is entitled to know who his caller is, whom he represents and why he is there. The form of introduction is varied by custom, environment and temperament. The salesman should be observant and if the slightest hesitancy is reflected by the prospect, he should not endeavor to shake hands when he enters.

It is necessary to get on common ground with the prospect just as soon as possible. As much advance information about the prospect should be secured as possible. After getting on common ground the salesman can then oblige the prospect. There are two general ways of accomplishing this result. One is to buy something if the prospect is a merchant, and the other is to give him something.

If an agent gives the prospect a booklet of helpful information, a souvenir, blotter or something of that sort, he is helping his case. If the prospect takes what is offered, common courtesy demands that he listen to the story for at least a short time. When this has been accomplished then the salesman has an opportunity to find out the requirements of the case and secure real information. If the way has been properly paved the agent can then present his proposition in a most effective manner. Real interest can be created. By this time the agent is ready to show or explain his proposition. Mr. Wood said in selling the agent should state his case.

Should Tell the Prospect What Contract Will Do

He should tell the prospect what he proposes to do. He should tell him in summaries the value of the product or the service. He should prove to his entire satisfaction that if the product as a result of the explanation really does these things, it is a real valuable and profitable business for him to consider. After stating one's case Mr. Wood declared that one of the strongest points in selling is comparison. Compare the weakness of the old, he said, with the strength of the new.

Use props and scenery. The real salesman does not depend upon conver-

sation alone but uses pencil and paper and illustrates points which are made. This equipment, he said, is a valuable adjunct in selling. The brain receives impressions through the eye 25 times stronger than through the ear. It pays to use all the selling helps which are available, he said.

Closing the Sale Calls For Tact and Resourcefulness

Closing the sale requires tact and resourcefulness and is largely an individual proposition. The strongest closing arguments are those presented when establishing the advantages of the product one is offering. Salesmen, he said, present their proposition to the most critical audience in the world, the one man audience, as a rule. They cannot afford to be at anything but their best. Mr. Wood urged that an agent should develop a go-getter, come-hither complex. He said, "Develop such a reputation for service with your clients or customers that they will automatically think of

you whenever they contemplate buying, or when they know of anyone who is about to buy or should buy."

Chicago Association Hits High Mark in Membership

In the membership drive now going on the Chicago Association of Life Underwriters has reached the highest mark in its history with an enrollment of 920. Up to the time of the monthly meeting this week 221 new members were added. The mark set was 250 and this will probably be reached before the drive ends on March 31. P. B. Hobbs of the Equitable was chairman of the membership committee. Miss Sara Francis Jones of the Equitable led all the committee in number of new members secured, reporting 33, all with check attached to the application.

At the March meeting Ralph E. Heilman, dean of the school of commerce at Northwestern University, spoke on "Business and Education." Mr. Heilman pointed out that business methods are being successfully taught in the schools and universities. He referred to life insurance as the most nearly depression proof of any line of business. He said prosperity is not just

around the corner but will come back slowly and gradually. He declared that with each depression the country comes back to a higher level and a higher standard of living for the common people than was known before.

Review Business on Books

Owing to the fact that so many people have taken loans on their policies, in many cases exhausting their entire equity, it is incumbent on agents to review the business on their books carefully. A policy loaded down with a loan becomes a target for some other agent. He will present life insurance in a form that has no lien on it and will convince the holder that he is foolish to continue his old insurance and pay interest on the loan. General agents declare that there never was a time when there was so great need for agents to visit each policyholder who has a loan on his policy, talk the subject over with him and see whether he is in a mood to have a readjustment made. Unless an agent does keep in close touch with his policyholders through personal cultivation and knowledge of the conditions of each one where there are heavy loans, he may be confronted with a lapse and some other agent more alert will have rewritten his clients.

AMBITION

We are operating in the following states:

California
Illinois
Iowa
Michigan
Minnesota
Ohio
Oregon
South Dakota
Texas
Washington
Wisconsin

Field men have been transferred to other positions because of their worth. Officials of Life Insurance companies are constantly on the alert to improve the condition of men who are making good. Field men are constantly on the alert themselves to improve their own conditions with an increased renewal interest.

Taken all in all, we do not know of a more independent position for a man to occupy than one with a ratebook, applications and a first-class company to represent. He is his own manager. If he remains honest and works hard, he is recognized as an important factor in his community and with the company he represents.

Hand this to a friend who has never engaged in the work of life underwriting and suggest that he make inquiries about our Educational Course.

RUPERT F. FRY, President

The
OLD LINE LIFE
Insurance Company of America

MILWAUKEE, WISCONSIN

Annual Statements, Jan. 1, 1932

THE TRAVELERS

L. EDMUND ZACHER, President

Hartford,
Connecticut

THE TRAVELERS INSURANCE COMPANY

Sixty-eighth Annual Statement

ASSETS	RESERVES AND ALL OTHER LIABILITIES
United States Government Bonds \$70,932,415.00	Life Insurance Reserves . . . \$537,068,053.57
Other Public Bonds . . . 92,702,718.00	Accident and Health Insurance Reserves 9,283,694.15
Railroad Bonds and Stocks . . . 79,758,966.00	Workmen's Compensation and Liability Insurance Reserves 49,656,736.70
Public Utility Bonds and Stocks . . . 76,544,360.00	Reserves for Taxes 3,512,128.55
Other Bonds and Stocks . . . 48,154,903.00	Other Reserves and Liabilities 2,619,046.98
First Mortgage Loans . . . 115,921,897.85	*Security Depreciation Reserve 7,726,633.00
Real Estate . . . 21,675,811.62	Special Reserve 9,340,996.50
Loans on Company's policies . . . 106,171,003.04	Capital . . . \$20,000,000.00
Cash on hand and in Banks . . . 12,103,472.32	Surplus . . . 22,313,717.52
Interest accrued . . . 8,972,347.28	
Premiums due and deferred . . . 28,331,806.50	
All Other Assets . . . 251,306.36	
TOTAL \$661,521,006.97	42,313,717.52
	TOTAL \$661,521,006.97

THE TRAVELERS INDEMNITY COMPANY

Twenty-sixth Annual Statement

ASSETS	RESERVES AND ALL OTHER LIABILITIES
United States Government Bonds \$1,715,282.00	Unearned Premium and Claim Reserves \$9,649,196.70
Other Public Bonds 2,165,135.00	Reserves for Taxes 298,394.71
Railroad Bonds and Stocks 3,119,595.00	Other Reserves and Liabilities 517,390.61
Other Bonds and Stocks 9,909,337.00	*Security Depreciation Reserve 661,853.00
First Mortgage Loans 312,500.00	Special Reserve 2,275,698.40
Cash on hand and in Banks 1,730,823.36	Capital \$3,000,000.00
Premiums in Course of Collection 2,017,157.56	Surplus 4,667,918.04
Interest accrued 100,567.54	
All Other Assets 54.00	
TOTAL \$21,070,451.46	7,667,918.04
	TOTAL \$21,070,451.46

THE TRAVELERS FIRE INSURANCE COMPANY

Eighth Annual Statement

ASSETS	RESERVES AND ALL OTHER LIABILITIES
United States Government Bonds \$2,090,324.00	Unearned Premium and Claim Reserves \$10,078,455.09
Other Public Bonds 1,246,570.00	Reserves for Taxes 256,770.09
Railroad Bonds and Stocks 2,755,528.00	Other Reserves and Liabilities 45,483.13
Other Bonds and Stocks 6,456,539.00	*Security Depreciation Reserve 519,756.00
First Mortgage Loans 250,000.00	Special Reserve 1,181,435.05
Cash on hand and in Banks 1,756,259.49	Capital \$2,000,000.00
Premiums in Course of Collection 1,205,015.14	Surplus 1,828,605.22
Interest accrued 129,835.06	
All Other Assets 20,433.89	
TOTAL \$15,910,504.58	3,828,605.22
	TOTAL \$15,910,504.58

**Basis of valuation of securities is the National Convention of Insurance Commissioners valuations adjusted by security depreciation reserves.*

MORE THAN FIFTY FORMS OF INSURANCE AVAILABLE

LIFE • ACCIDENT • LIABILITY • AUTOMOBILE • HEALTH • STEAM BOILER • COMPENSATION • WINDSTORM
GROUP • AIRCRAFT • FIRE • PLATE GLASS • BURGLARY • MACHINERY • INLAND MARINE

IN 1931 many individuals, many families and many business organizations came face to face with hours of need and found in insurance a dependable friend—a friend that was able as well as willing to help in their emergencies.

Through the timely aid of funds from all forms of insurance, many adversities of life were prevented from becoming tragedies, and many untoward events were robbed of their terrors and oppressions.

Life insurance, unlike some other forms of property, instead of adding to or intensifying the woes of the public during a period of economic readjustment, ministered to many and provided relief and comfort to scores of persons who had exhausted all other means.

Prepared for just such events as have occurred, The Travelers was in a position to meet these extraordinary contingencies and paid in cash to policyholders and their beneficiaries the largest sum which the three Travelers Companies have ever disbursed in one year—\$113,771,821. To distribute this, paying the right amounts to the right persons at the right time, required the issuance of 957,636 checks and drafts. Over one billion dollars has been paid by The Travelers Companies to policyholders since organization.

There have been many surprising changes since the close of the war. We have seen severe liquidation of manufactured goods, lower prices for commodities, soaring stock prices and then a fall in market values that has caused embarrassment to many individuals and their fortunes. All these violent events have crowded to the fore the value

of life insurance, as an investment of sound, steady and continuing value and one that has brought aid and sustenance to many who were and are overwhelmed.

To afford policyholders sound protection, the Companies have followed the policy of distributing their investments broadly, and not only carry large amounts of cash, but have supplemented these with large holdings of United States Government Bonds, and marketable bonds of many

of the best municipalities and corporations in the country.

The Companies' reserves meet the requirements of the strictest of state laws and additional reserves are carried to meet extraordinary contingencies which may arise in the future.

During the sixty-seven years of its corporate existence, The Travelers has encountered many such periods as this. It has experienced the panics of 1873, 1893 and 1907. It faced the problems arising from the war,

the influenza epidemic and the post-war deflation. In each of these periods, it has played an important part and in all of them rendered valuable assistance to its policyholders.

One of the important factors responsible for the great growth in the volume of life insurance, which took place between the years 1922 and 1929, was the demonstration of the value of life insurance protection afforded by the war and the influenza epidemic. Recently we have

witnessed a striking demonstration of the value of another phase of life insurance—of its strength and stability as an investment medium. If history is any guide to the future, it seems reasonable to expect that the next ten years will witness an expansion of the purchase of the investment forms of life insurance, for at no time has that value been so clearly demonstrated as at present.

L. E. Jagger
President

MORAL: *Insure in THE TRAVELERS*

Life Insurance that does TWO Important Things: *Protects Your Family Now . . .* *Pays You an Income When You Retire*

Available in a variety of forms of contracts. Your exact needs and your checkbook can be fitted by one of these or a combination of two or three.

Some contracts balance the insurance and income features, some emphasize the insurance protection, some emphasize the retirement income.

These contracts—forms of property that are cherished by all who own them—may be purchased outright for a lump sum or for payments spread over a short or long period of time. Such payments may be made annually, semi-annually, quarterly or monthly.

T H E T R A V E L E R S
THE TRAVELERS INSURANCE COMPANY THE TRAVELERS INDEMNITY COMPANY
HARTFORD CONNECTICUT
THE TRAVELERS FIRE INSURANCE COMPANY

THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

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C. M. CARTWRIGHT, Managing Editor
LEVERING CARTWRIGHT, Ass't Managing Editor
FRANK A. POST, Associate Editor
CHARLES D. SPENCER, Associate Editor
DALE R. SCHILLING, Associate Editor

PUBLICATION OFFICE, A1946 Insurance Exchange, CHICAGO. Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St., Tel. Parkway 2140. RALPH E. RICHMAN, Manager
ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE
803-123 William St., Tel. Beekman 3-3958
GEORGE A. WATSON, Associate Editor

DETROIT OFFICE
1015 Transportation Bldg., Tel. Randolph 3994
A. J. EDWARDS, Resident Manager

SOUTHEASTERN OFFICE—ATLANTA, GA.
204 Atlanta National Bank Building

W. J. BATH, Resident Manager

NEW ENGLAND OFFICE
139 Summer St., Weymouth, Mass., Tel. Wey. 2158-R
J. M. DEMPESEY, Resident Manager

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Member Audit Bureau of Circulations

Life Insurance Depression Proof

ABNER THORP, JR., editor of the "Diamond Life Bulletins," published by THE NATIONAL UNDERWRITER, has rendered the business of insurance in times past a material service as an educator, creating a desire for more efficient service, developing a sense of responsibility and awaking public interest in life insurance. He was the first man after the financial break to come out with a definite program to show how life insurance has a great property value which should be recognized in times of economic stress and storm. He has in season and out told life insurance men to emphasize this characteristic of life insurance, one of great importance, especially when

people are looking for security and dependability.

Now Mr. THORP has done another big piece of work. He has just published a booklet called, "Depression Proof," in which he shows how life companies have been practically depression proof when thousands of banks, business institutions, industries, corporations, partnerships, etc., have had to close their doors. This is a booklet that every life insurance agent should carry in his pocket and in fact it should be distributed far and wide among policyholders. It is a constructive piece of work and one that inspires confidence in the great life insurance institution.

Has Brought Weaknesses to Light

THE business and economic conditions of the last two years have served to bring to light the weaknesses in individual offices and business enterprises of all kinds. This period has been a good time to take inventory of what one has on hand and then ascertain what one should have. It has brought out defects and mistakes in judgment.

One of the most important lessons learned is that the person or business that has been conducted along conservative and consistent lines does not feel the catastrophic effects of a depression. Such a company does not have so much difficulty in holding its business. It has not been allured into strange and uncertain paths. It has not worshipped at the shrine of un-

known gods. It has had the elements of permanency in it. It has not been enticed to do the unwise, the disintegrating, the death dealing things merely for temporary gain. It has had its eye on the future as well as the present. It has not felt that hot house and drastic methods were essential. It has been old fashioned in many things but new fashioned in its attempt to keep abreast with those changes that are permanent.

Where water is found to be seeping through the levee, this is a good time to stop up the hole and fortify safeguards. The institution that has gone ahead on an even keel finds itself in a remarkably strong position today while those of mushroom growth are floundering by the wayside.

Agent Is Great Stabilizer

THESE are times when the agent earns his renewal commission and also when he demonstrates that the present agency system is the best way of handling the life insurance business. The agent is a great stabilizer in times like these. Through him the companies have a personal contact with every one of their customers and the agent himself has a

continuous personal interest in seeing that the customer does not discontinue his patronage. Today there are many agents who are giving more attention to holding their old business than they are to writing new business. It is not merely in the matter of handling loans and services of that sort; policyholders hear all sorts of rumors and are assailed by

doubts as to what they ought to do regarding their life insurance. From every angle come inducements to give it up and take the cash, to make loans, to do this or that. A company doing a nationwide business could scarcely operate at all without a live active agency force to meet and counter these influences, in times like these.

We do not know what the terminations will be as a result of the depression, possibly twice the normal. But they would be four or ten times the normal if it were not for the life insurance

field man. And under the present system by which the agent receives a renewal commission he is being paid for the work he is doing.

It is more evident than ever that the life insurance man should be a student, not only of salesmanship methods but of every phase and problem affecting life insurance itself. Such an agent, who keeps posted on current events and trends, is proving of the greatest service to the life insurance institution and demonstrating in a splendid way the soundness of the agency system.

PERSONAL SIDE OF BUSINESS

John L. Kossoff, who has been one of the most successful producers in the Cincinnati agency of the Mutual Life, is leaving for New York where he will create a new agency for the company with headquarters at 1533-36 Empire State building. Mr. Kossoff was given a farewell luncheon by his admirers and friends in the insurance business.

W. A. Lindly, who was so long an official of the Security Mutual Life of Lincoln, Neb., and who died a few days ago at the age of 83, was one of the founders of the American Life Convention and served as its president for one year. He went to Nebraska in 1886 from Oskaloosa, Ia., where he had been a banker. In 1887, he with two financial men of Lincoln organized the Bankers Life of that city. He remained as its directing head for several years. Later he took over the management of the Security Mutual Life which had its headquarters at Fremont, Neb., but was moved to Lincoln after he assumed control. He was very fond of flowers and always had a beautiful garden. Some years ago Mr. Lindly retired from business but he remained as a director of the Security Mutual.

Carl K. Deen, an agent for the Provident Mutual Life at Harrisburg, Pa., is unopposed for the Democratic nomination for Congress in the 19th district of Pennsylvania.

Frank M. See, St. Louis manager of the Union Central Life, and his wife were among the sectional winners in the St. Louis open-pair contract bridge championship tournament.

George W. Pardee, 66, one of the oldest employees of the Kansas City Life in point of service, died at Little Rock following a heart attack. He was in the insurance business at West Plains, Mo., for a number of years and was appointed supervisor of agents of the Kansas City Life in 1903. He became Arkansas manager in 1907, and served in that capacity until February, 1927, when he was relieved of active duty and made special home office representative.

Joseph P. Bennett, 42, traveling supervisor for North and South Carolina for the Life of Virginia, died at his home at Charleston, S. C. Mr. Bennett had been in the insurance business for 25 years and was well known throughout the southeast.

R. F. Tull, secretary Fidelity Mutual Life, celebrated his 30th anniversary with the company on March 14. He entered its service as junior clerk in the actuarial department in March, 1902, and remained three years before being transferred to the policy department.

In 1908 he became secretary of the policy department and in 1917, when the medical, policy and inspection departments were merged, he became manager of the newly formed department of issue. His election as secretary followed in 1924.

Mr. Tull is regarded as an authority

in risk selection and is executive head of the new business department of the Fidelity Mutual. He has devoted the greater part of his time for many years to all phases of selection and underwriting.

Dr. Arthur Hunter, vice-president and chief actuary of the New York Life, has been elected president of the Montclair, N. J., Art Museum. Dr. Hunter has been a resident of Montclair 20 years and a member of the Art Association board for five years.

W. L. Rice, 57, assistant production manager of the C. L. McMillen agency of the Northwestern Mutual Life in New York City, died at his home in White Plains from complications resulting from influenza. Mr. Rice was in charge of life insurance trust business at the Empire Trust when he resigned last November to go with the McMillen agency. He was formerly in the life insurance business with the Equitable Life of New York in Philadelphia and in California.

R. H. McCurdy, former vice-president of the Mutual Life of New York, and the third generation of his family to be associated with that company, died at his home at Morristown March 17. He was 72 years old. He joined the Mutual Life after his graduation from Harvard in 1881 and resigned in 1905, later becoming senior partner in the stock brokerage firm of McCurdy, Henderson & Co. His father was the late R. A. McCurdy, president of the Mutual Life from 1885 to 1906. His grandfather, R. H. McCurdy, was a director.

George Cosson, general counsel Royal Union Life, has entered the race for United States Senator from Iowa on the Republican ticket against Smith W. Brookhart, whose term expires this year. Mr. Cosson was for years vice-president and general counsel for the Des Moines Life & Annuity before its consolidation with the Royal Union. He is also president of the Des Moines Joint Stock Land Bank.

Hillsman Taylor, former president of the Missouri State Life, has opened law offices in the Mississippi Valley Trust Company building, St. Louis.

He graduated from the law school of Vanderbilt University in 1906 and from 1915 to 1919 was district attorney general at Trenton, Tenn. At various times he served as special judge in different jurisdictions of Tennessee.

W. W. Moore, former vice-president Inter-Southern Life, has retired on pension and has gone to Florida with Mrs. Moore to spend a month.

W. G. Miller of the Pacific Mutual, president of the Chicago Accident & Health Managers Club, who recently returned to his office after an extended stay in the hospital involving an appendicitis operation and some serious complication afterward, has suffered a relapse and is in the hospital again.

LIFE AGENCY CHANGES

Appoints New General Agents

Bankers Life of Nebraska Announces That It Has Closed Contracts at Important Points

W. J. Willoughby has been appointed general agent of the Bankers Life of Nebraska with headquarters at St. Joseph, having charge of several counties in northwestern Missouri. He went with the Bankers Life in 1927, attended the home office school, started selling in the territory which has now been assigned to him.

F. L. Robertson has been appointed general agent of the Bankers Life at Wichita, Kan. He has had a number of years' experience. G. W. Courtright has become general agent at Mitchell, S. D. W. F. Coonan is general agent at Mason City, Ia.

James H. Mickey

James H. Mickey, assistant general agent of the Equitable of Iowa in Kansas City, has been made agency manager for Nebraska by that company, with headquarters at Omaha.

Before becoming assistant to H. A. Hedges, Kansas City general agent, Mr. Mickey was for several years general agent there and at Topeka for the State Mutual Life. He is a graduate of the University of Nebraska, and his father was a former governor of the state.

George A. Young

George A. Young has been transferred from Detroit to Portland, Ore., as manager of the Manufacturers Life, with offices in the Yeon building. He succeeds J. P. Warnicker.

David E. Hirsch

David E. Hirsch has been appointed agency manager of the American Central Life in Chicago.

E. P. Cosgriff

E. P. Cosgriff, who conducts a general insurance agency at Fargo, N. D., has been named district manager for the Mutual Life of New York for the Fargo territory. He succeeds S. D. Scott, who will continue with the company, devoting his entire time to production.

F. A. Nicholson

F. A. Nicholson has been appointed Seattle manager by the Manufacturers Life to succeed Frank A. Black, transferred to Guelph, Ont. Mr. Nicholson joined the Manufacturers in 1927.

D. W. Kemp

D. W. Kemp has been appointed general agent for the Pan-American Life at Houston, Tex. For two years he has been field superintendent in Iowa for the Pan-American.

H. M. Walker

H. M. Walker has become manager for the Travelers in Buffalo, following eight years as manager of the St. Paul branch. The Buffalo office is in the Chamber of Commerce building.

Minnesota Mutual Appointments

E. C. Smart has been appointed general agent for the Minnesota Mutual Life at San Jose, Cal. H. C. Stoddart has taken over the general agency at Washington, D. C., and Judge T. A. Murrell will henceforth be in charge of the general agency at Louisville, Ky.

Warren Beaman

Warren Beaman has been appointed agency manager for the Bankers Reserve Life of Omaha at Dallas, Tex., with offices in the Allen building.

Easterling to Baltimore Post

Appointed Manager There for Missouri State Life—Burnet Succeeds Him at Nashville, Tenn.

Crawford Easterling, for the past six years manager of the Nashville, Tenn., branch office of the Missouri State Life, has been transferred to Baltimore to fill the vacancy caused by the resignation of William C. Peck as Baltimore manager. Mr. Peck has joined the home office organization of the Bankers Reserve Life.

Claude Burnet, who for about four years has been an assistant manager in St. Louis for the Missouri State Life, has been sent to Nashville as the new manager of the branch office there.

Mr. Easterling has made a splendid showing as manager at Nashville and is expected to fill the Baltimore position capably. For several years before going to Nashville, Mr. Easterling was with the Missouri State at its home office in St. Louis.

A. E. Martz

H. A. Shearer, agency supervisor of the Columbian National Life, was in Cincinnati last week and appointed A. E. Martz as general agent for southern Ohio. Mr. Martz has opened offices in the Union Trust building. He was formerly with the Connecticut Mutual and Northwestern Mutual in Cincinnati.

Austin E. Walsh

Austin E. Walsh, for five years assistant manager of the Chicago branch office of the Missouri State Life, has resigned and is appointed agency manager of the Lincoln National in that city, in charge of the Reynolds agency. Mr. Walsh was for four years connected with the Metropolitan in Chicago and before that was an officer in the discount department of the Federal Reserve bank there. In his younger days he was for nearly ten years a professional minor league baseball player.

E. S. Reeves

Elbert S. Reeves, for seven years manager at Ashland, Ky., for the Jefferson Standard, has become general agent of the Midland Mutual Life for eastern Kentucky with offices in the Second National Bank building, Ashland.

He is a director in the Third National Bank of Ashland and a member of the board of aldermen.

Associated with Mr. Reeves is H. H. Meade, who took up life insurance work last year. He was formerly a security salesman.

Capitol Life Changes

The Capitol Life of Denver has appointed Hampton Mauvian, Oakland, Cal., as general agent. General Agent Sanford Stewart is transferred from Denver to San Antonio, Tex.

Life Agency Notes

George A. Matlock, Washington manager, has moved state offices of the Monarch Life from Olympia to Seattle.

Jack Millard has been appointed general agent of the Gulf States Life at San Antonio, Tex., succeeding the Duke Millard Agency, the first of the year.

J. B. Alken has been appointed district manager at Spartanburg, S. C., for the Mutual Life of New York. For two years he has been general agent for the Pilot Life at Spartanburg.

Elmer A. Sowers, for 15 years in the insurance business at Elgin, Ill., and for 12 years prior to Jan. 1, 1930, with the Berkshire Life, has been made district manager there for that company. For the past two years Mr. Sowers has been with the Massachusetts Mutual Life.

A SYMBOL

of outstanding achievement . . .

"Phi Beta Kappa of Life Insurance" . . . the gold key worn by members of The Union Central \$500,000 Club.



WITH pride in their splendid record and confidence in their future achievement, The Union Central presents to the insurance fraternity the members of its \$500,000 Club. These Underwriters were installed at the second annual meeting of the organization recently held in Miami, Florida.

President of the Club by virtue of leadership of the entire

Union Central Field Force is Richard J. Conheim. Vice-President is Joseph Gross, who has sold more than a half million annually for the last 13 years.



RICHARD J. CONHEIM

JOSEPH GROSS

THE UNION CENTRAL \$500,000 CLUB ROSTER

H. Sheridan Bakel, C. L. U.	Hamilton Lee
*†Walter E. Barton	J. Early Lee
*Charles A. Blatchley, C. L. U.	†William B. Lee
* Theodore M. Bumiller	Harry T. Licklider
Leo J. Burns	Stephenson W. McGill
William W. Bussey	John J. McLean
* Fay W. Clubb	Enid S. Miller
* Richard J. Conheim	William B. Monroe
*†Joseph P. Devine	* Earl V. Reed
* John A. Doyle	John R. Riha
*†O. J. Fisher	* William Rodgers
* Joseph Gross	* Charles Romer
Allan E. Guberman	* Robert A. Sasseeen
* Louis Guberman	* John C. Sebastian, C. L. U.
* Marshall T. Hearne, Jr.	* Harry J. Spencer
*†M. G. Hodnette	* Herman Stark
* Sadie L. Hoffman	Frank H. Strietmann
James D. Kauffman	* Arthur W. Tell
Frank W. Kingett	* J. Mitchel Thorsen
* Charles B. Knight	* Diederich H. Ward
Marion A. Knight	Fred Watson
* Maurice C. Kramer	* B. A. Wiedermann
* Indicates two-year membership.	*†Emmet C. Wier
	* Edwin A. Zelnicker
	* Manager member.

Over One and One-Half Billions in Force



The Union Central Life Insurance Company

of Cincinnati

NEWS OF THE COMPANIES

Opening Pension Department

General Mutual Life of Van Wert, O., Has Placed J. D. Mason in Charge

The General Mutual Life of Van Wert, O., the life company in the well-known Purmort group of mutual fire companies, is opening a pension department and has made J. D. Mason director in charge. Mr. Mason has acted as supervisor for 11 central states in the pension department of one of the large eastern companies. In Chicago he worked out pension plans for many large corporations.

The life companies now in the pension field largely limit their coverage to large employers. The General Mutual will specialize in small employers.

Among companies in the pension field, which is arousing increasing interest among insurance men, are the Metropolitan, Prudential, Equitable, Travelers and Aetna.

The General Mutual Life is part of a group of companies which is probably the most successful in the mutual fire insurance field. It has recently completed a beautiful new home office building and is Van Wert's largest enterprise.

Occidental Life Statement

The Occidental Life of Los Angeles in its new annual statement shows assets \$24,127,801, capital \$1,000,000, assigned surplus \$692,819, unassigned surplus \$127,600, contingency reserve for investment fluctuation \$530,070, life insurance in force \$156,785,021. Its new business last year amounted to \$30,683,373. Its total income was \$6,554,195. The Occidental Life writes both life and accident, its premiums from life being \$4,621,714 and from accident \$323,714. R. J. Giles, secretary and general manager, who is the main factor in the administrative work of the company, is well known among life executives.

United Enlarges Home Office

The United of Chicago is enlarging its home office facilities, to take care of its increasing business. The company has taken a long term lease on the third floor of the building at 2717-19 South Michigan avenue, Chicago, adjoining its present home office building. An archway will connect the two buildings and practically all the home office clerical force will be transferred to the new quarters, where the offices of Secretary A. D. Johnson and H. G. Rockwood, manager of the commercial department, will also be located.

Seek to Reduce Loans

A drive is being conducted by the Bankers Life of Nebraska to get policyholders with loans outstanding to accept a partial payment plan for retiring these loans. The attention of agents is being called to the fact that their renewal accounts are menaced by a condition which often results in the lapsation of policies.

Indianapolis Life Increase

The Indianapolis Life reports an increase in paid business of 16 percent for the first two months of 1932 over the corresponding period of 1931.

Moves Back to Fayetteville

Effective April 1, the American Liberty Life will move its home office from Muskogee, Okla., to Fayetteville, Ark., according to an announcement by C. F. Renner, president and general manager. The company formerly maintained its home office at Fayetteville.

Topeka Companies to Merge

Directors of the Victory Life and Cosmopolitan Life Vote for Consolidation

Directors of the Victory Life of Topeka and Cosmopolitan Life of Topeka have voted to consolidate under the title of the Victory Life. Meetings of stockholders will be held in about three weeks to ratify the deal. Approval of at least two-thirds of the stockholders of each company is necessary.

W. J. Bryden, secretary and general manager of the Victory Life, states that the combined assets of the merged companies would be more than \$3,000,000; insurance in force about \$30,000,000 and capital and surplus about \$550,000.

Officers of the merged companies would be the present officers of the Victory Life, headed by James A. Allen, president; Arch M. Catlin and W. L. McElfresh, vice-presidents, and Mr. Bryden, secretary and general manager.

The Victory Life was started in 1920 under the title, Preferred Life. Its present title was adopted in 1922.

The Cosmopolitan Life was started in 1926. Clyde W. Miller, president of the Cosmopolitan, is also president of the Preferred Risk Fire of Topeka. He was one of the organizers of the Victory Life.

The proposal is to reissue all of the stock in the name of the Victory Life

on the basis of one share to the Cosmopolitan stockholders as against three shares to Victory Life stockholders. The capital of the Victory Life will be increased from \$100,000 to \$200,000 in \$5 par value shares.

Asks Receiver for Fraternal

After an investigation of the Maryland Death Benefit Association, a fraternal of Westport, Baltimore, Commissioner Walsh of Maryland has asked for a receiver for the association.

When the annual report of the association was audited, a deficit was shown and it was asked by the department to make a general assessment, but said it could not do this without adverse results in its membership. It operates in Georgia, New York, Pennsylvania and West Virginia, in addition to Maryland.

American National 27 Years Old

The American National of Galveston celebrated its 27th anniversary March 17. It was organized by W. L. Moody, Jr., its present head, in 1905. It operates all over the United States and in Cuba and Hawaii.

Liberty Life's Increase

The Liberty Life of Topeka has written 50 percent more business so far this year than for the similar period last year.

Examining Occidental Life

Department examiners of California and Oregon are in Los Angeles to examine the Occidental Life. Other states will join in the examination later in the week.

AMONG COMPANY MEN

Promotion for G. C. Cumming

Is Advanced to Supervisor of Field Service for Great-West Life of Winnipeg

Announcement has been made by Assistant General Manager H. W. Manning of the appointment of G. C. Cumming



G. C. CUMMING

Peck With Bankers Reserve

Baltimore Manager Missouri State Life Is Assistant Agency Manager in New Connection

William C. Peck has resigned as manager of the Baltimore branch of the Missouri State Life to become assistant agency manager for the Bankers Reserve Life of Omaha, located at the head office. The Baltimore office of the Missouri State covers Maryland and the District of Columbia.

Mr. Peck started with the Missouri State in 1921 in the Chicago branch. In 1922 he was made manager of the life department of McKey & Poague, south side real estate office of Chicago. In 1926 he again joined the Missouri State and in 1927 was made manager of the south side branch office in Chicago for the Missouri State. He became Baltimore manager of the Missouri State in 1929.

Babcock Now Agency Secretary

Burt Babcock has been appointed agency secretary of the New World Life. He succeeds Robert G. Jones, promoted to manager conservation and policyholders service department. R. J. Cahill, who formerly held that position, has joined the Seattle agency of the Reliance Life.

Broadhurst Dallas Manager

E. W. Broadhurst, for the past 18 years with the Texas Life at Waco, has been named district manager for that company in Dallas and surrounding territory. He succeeds J. B. King, who died recently. His offices are in the Praetorian building.

Taxes Down \$200,000

Life companies paid \$900,061 in premium taxes to Oklahoma on 1931 business compared to \$1,106,596 the year before.

Southern States Local News

Price Visits Oklahoma, Texas

President of Jefferson Standard Life Finds Conditions Better in Southwest

Julian Price, president Jefferson Standard Life, has completed a visit to Oklahoma and Texas agencies, and is now resting for a week at Hot Springs where he was joined by Mrs. Price. Last week he visited the Robert M. White agency at Dallas and addressed an informal luncheon. Members of the agency had put on a week drive and Mr. Price was presented with an unusual volume of business in honor of his visit.

In his talk, Mr. Price stated that conditions in Texas seemed to be better than in most sections of the country. The soundness of companies despite the depression was pointed out by Mr. Price in a very convincing manner.

Thad Childre, southwestern superintendent of agencies, also spoke and congratulated the agents on their splendid showing so far this year. The southwest territory showed a 32 percent increase in the first two months of 1932.

Fail to File Statements

MONTGOMERY, ALA., March 24.—Superintendent Greer has sent a circular letter to Alabama mutual aid companies stating that a number of them chartered to do business under the mutual aid laws have not qualified to do business in 1932. He cites that the law requires every insurance company "shall within the first 60 days of the fiscal year, file with the insurance commissioner a statement which shall show that the insurance company has complied with all the requirements of the law to authorize it to do business in this state."

Tax Raise Not Retroactive

The South Carolina supreme court this week decided that the law increasing the premium tax from 2 to 3 percent cannot apply to any period before the effective date of the law, June 16, 1931. It was intended to have the law retroactive to Jan. 1, 1931. The court ruled adversely on the contention that the dividends of life companies should be exempted from the extra 1 percent tax. The action was a test case brought by the Jefferson Standard Life against the insurance commissioner.

Training Course in Mississippi

The Ernst M. Barber Mississippi agency of the Equitable Life, Jackson, Miss., is holding a two week school under the direction of Wade Heavy, home office educational instructor. More than 30 members are attending the session each morning. Each afternoon the men are giving practical application of their training in the field. Mr. Barber states that a surprising amount of business is being written by the men in their afternoons. This system of instruction and application seems to be very successful and is one employed very extensively by Equitable Life instructors.

Richmond Y. M. C. A. Course

Classes in salesmanship sponsored by the Richmond Y. M. C. A. are being conducted under the direction of Samuel B. Love, manager Mutual Life of New York. R. G. Richards, agency secretary Atlantic Life, recently lectured before the class. Others slated to deliver lectures are G. W. Diggs, general agent Penn Mutual, and W. R. Gardner, supervisor Atlantic Life.

ACCIDENT AND HEALTH FIELD

Live Topics for Conference

Subjects Announced for Round Table Discussions at Accident & Health Underwriters Meeting

A series of unusually timely topics has been selected for the round table discussions at the annual meeting of the Health & Accident Underwriters Conference, to be held at the Edgewater Beach Hotel, Chicago, June 7-9. The program this year is being arranged so as to insure plenty of time for these round table sessions, which always form an especially profitable part of the conference meetings. The topics selected are:

1. Monthly premium industrial business—present difficulties of development—possibility of this business being transferred to a quarterly premium basis—its future.

2. Lapsation—Can present high lapse ratio be prevented? Several methods for cutting down lapses will be discussed.

3. What has accident and health insurance to offer life policyholders in place of disability benefits? Has your company created a special policy form to offer life policyholders in place of disability benefits? Is it non-cancelable?

4. The agreements adopted by quarterly premium commercial companies concerning uniform phraseology and standard underwriting practices—discussion of the important steps taken by this group of companies.

E. C. Bowen, secretary accident department Aetna Life, was added this week to the list of speakers for the business sessions. He will review the new underwriting program of the Bureau of Personal Accident & Health Underwriters.

Maj. Norman A. Imrie of Culver

Military Academy, well known as an after-dinner speaker, has been secured as the banquet speaker.

Equitable Changes Rules

The Equitable Life of New York has adopted a rule effective June 1, that no employee age 70 or over may be covered by group accident and health, and insurance will terminate automatically at the attainment of age 70.

A change in rule is announced whereby no employee will be insured for more than 66 2/3 percent of his salary, except that if employees are grouped by salary classes, the indemnity in any class shall be limited to 66 2/3 percent of the maximum salary or 75 percent of the minimum salary in that class, whichever is the lesser, and except that any employee may be offered indemnity not in excess of 75 percent of his salary if such weekly indemnity is not in excess of \$8.

The change consists in substituting \$8 for \$12.

Managers' Convention Plans

The annual meeting of the National Association of Accident & Health Managers will be held in either Cleveland or Pittsburgh, with present indications favoring Cleveland, probably about the first week in June. L. D. Edson of the Zurich, president of the national association, so announced at the meeting of the Chicago Accident & Health Managers Club this week. Mr. Edson recently sent out a letter to the national officers, regional vice-presidents, presidents of local clubs and other leaders in the association, asking for their opinions as to the plans for the national convention. The general sentiment favors a strictly business session of not more than two days' duration, with no extensive entertainment plans. Work has already been started on the program, which will include several speakers of national reputation.



Prevent Financial Shipwreck When Clients Are Injured

No service you can render is more likely to be productive of substantial good than providing up-to-date accident insurance.

Our new reimbursement contract foots all the bills up to a definite adequate amount besides paying the usual benefits for loss of life, limbs, sight and time. For advertising and rates, call our local office or address

**Connecticut General
Life Insurance Company
Hartford, Conn.**

MANAGERS' ASSOCIATION NEWS

Owens Heads Oklahoma Club

New President Is General Agent of Mutual Life of New York in Oklahoma City

E. Guy Owens, Oklahoma City, general agent Mutual Life of New York, has been elected president of the Oklahoma General Agents & Managers Club, with Marmaduke Corbyn, Central States Life, vice-president, and H. W. Laffer, Northwestern Mutual Life, secretary. Mr. Corbyn was appointed chairman of the program committee.

Morrissey Heads Managers

L. M. B. Morrissey, manager Phoenix Mutual Life, has been elected president of the General Agents & Managers Association of Davenport, Ia., which was recently organized. Karl Madden was

elected vice-president, while Paul C. Otto was made secretary and James Copeland treasurer. Clarence L. Major, W. S. Fuller and Harold Plack were named directors.

Peterson Speaks at San Francisco

Clarence W. Peterson, manager Phoenix Mutual Life, spoke at a luncheon meeting of the San Francisco General Agents & Managers Association this week on "Time Control."

The business conduct committee, of which A. F. Smith, Bankers Life, is chairman, reported.

Kidd at South Bend

Commissioner John C. Kidd of Indiana attended a meeting last Monday of the South Bend Association of Life Insurance Managers, which has recently been organized.

PACIFIC COAST AND MOUNTAIN

Shapro Is Opening Speaker

Ten Weeks' Training Course Conducted by San Francisco Association Gets Under Way

SAN FRANCISCO, March 24.—Ben F. Shapro, president San Francisco Life Underwriters Association, was the principal speaker at the opening session of

the ten weeks training course here Monday night. He stressed the necessity for saving renewal commissions and presented his renewal chart through which he proved that through the saving of renewals the underwriter of even average production could retire comfortably. Other speakers at the opening session were Gerald F. McKenna, Penn Mutual Life, on "Organization," and Leslie F. Rice, general agent Connecticut Mutual Life, on "Qualifications of

Like a Spring Tonic...

Economic spring fever demands a financial tonic. Field workers have such a tonic in the "Income for Life" policy originated by the Fidelity. Men with impaired estates are turning to "Income for Life" to make their future secure.

Fidelity agents profit

This is a tonic for Fidelity agents, too. Other tools in their complete sales kit include Low Rate Life, Family Income, Disability benefits—both income and waiver of premium—and Accidental Death Benefits. They are backed by contracts based on more than half a century of fair dealing.

The FIDELITY MUTUAL LIFE INSURANCE COMPANY PHILADELPHIA
WALTER LEMAR TALBOT, President

MILLIONS OF WOMEN

The General Federation of Women's Clubs, with its thousands of affiliated local clubs, and their millions of members, for years afforded the one organized means of teaching women about their life insurance rights, duties, advantages. Miss Alice Lakey is its Insurance Counsel, and is Chairman of its Committee on Insurance,—a zealous, indefatigable, and capable educator and lecturer.

The National Association of Life Underwriters, recognizing the value of the Federation's program, some time ago engaged the experienced Mrs. Walter S. Pritchard for work among women's organizations.

The Federation and the Association, now in similar yet independent effort, are supplanting indifference and opposition with a powerful and understanding demand by women for that part of life insurance service which fortifies their homes and their lives.

Several Companies are co-operating.

*

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

NORTH AMERICAN LIFE INSURANCE COMPANY OF CHICAGO.

E. S. Ashbrook
President

John H. McNamara
Founder

Paul McNamara
Vice-President

A 6.4% increase in 1931 paid business

The North American Life has been soundly built along conservative lines. Today the company is in the strongest position in its entire history. It has forged ahead; always making a splendid showing in insurance in force, surplus and assets and has built a loyal agency force. Last year in spite of conditions paid business over 1930 was increased 6.4%.

●

Interested agents not now under contract should write direct to the Agency Department

SILVER JUBILEE YEAR—25 YEARS OF SERVICE

the Life Underwriter." More than 500 attended the opening session in San Francisco and upwards of 250 were at the Oakland meeting.

Dick Drake Honor Man

Dick Drake of Los Angeles led the Fidelity Mutual field for February in first year cash premium settlements. This is the fourth time in as many years

that Mr. Drake has topped all the producers of his company. Mr. Drake, although born in Iowa, migrated to California following his graduation from the University of Iowa.

New Oregon Deputy Commissioner

Rudolph Stevenin has been appointed deputy insurance commissioner of Oregon, in charge of examinations and investigations.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Sun Life Dividend Schedule

Modification Rather Than Entirely New Basis Resorted to in Face of Temporary Conditions

Further details are given as to the dividend modification by the Sun Life, the bare announcement of which was presented last week. The current dividend year ends March 31. The directors decided that the modified scale is to become effective April 1.

"Since the circumstances which occasion this adjustment in our dividend scale are believed to be of a temporary nature," Actuary G. W. Bourke explains, "we stated in our announcement to our agency organization that it has been regarded as more appropriate at the present time to modify the present scale than to introduce an entirely new basis."

Returns to 1924 Basis

He states that the new scale is practically the same as that which was in force in 1924. During the last 20 years the Sun has made 15 changes in its dividend scale, he says, comprising 12 increases and three reductions, including the present.

"The previous reductions were made to reconcile dividend payments with the surplus earnings during the period of the war and the influenza epidemic which followed," Mr. Bourke states. "The high dividend scale adopted in 1929 reflects the earnings of that period, but after maintaining it through two full years of depression the present reduction is considered advisable."

Interest Rate 5 Percent

The rate of interest to be allowed on proceeds of policies, and on dividends, left on deposit with the company will be 5 percent.

The new dividends for the three principal forms are:

Year of Issue	Ordinary Life	Payment Life	20-Year Endowment
1930	\$ 4.73 \$ 5.70 \$ 6.85 \$ 8.40	4.94 6.03 7.08 8.39	5.55 6.18 6.90 8.05
1927	5.10 6.23 7.61 9.45	5.63 6.90 8.15 9.67	6.98 7.62 8.34 9.50
1922	5.92 7.40 9.21 11.56	7.28 8.86 10.52 12.38	10.30 10.91 11.60 12.63
1917	6.88 7.72 10.95 13.69	9.17 11.25 13.35 15.53	14.48 15.68 16.55 19.75
1912	8.03 10.24 12.82 15.84	11.65 14.28 16.97 19.75	19.97 20.59 21.28 22.34

Continental Life, Mo.

The Continental Life of Missouri will retain its present dividend schedule in 1932 but each dividend year will be moved back one year with the exception of the past one. All policies which receive the first dividend during 1932 will be paid the amount shown in the dividend schedule. Policies which received the first dividend prior to 1932 will be paid during 1932 the same dividend as in the preceding year.

The Continental will continue its present rate of 5 percent interest on funds left with it.

Offering New Child's Policy

Buffalo Mutual Life Announces Form Which Includes Many Novel and Unusual Features

BUFFALO, March 24.—The Buffalo Mutual Life has announced a new form of child's policy which is understood to be the only one of its type being issued by any company doing business in New York state. It covers all ages up to 10.

There are three forms of this contract: Ordinary life endowment at 85; 20-pay endowment at 85, and 20-year endowment. These are standard legal reserve policies with graduating death benefits and are written in units of \$1,000 and \$1,500. They will carry standard cash and non-forfeiture values beginning with the third year and will be on a participating basis with annual dividends beginning with the end of the second year.

An interesting feature in connection with the issuance of these policies is the payor benefit, which provides a waiver of premiums on the child's policy should the parent or guardian, who is known as the applicant, die before the child reaches age 21. The policy may be issued either with or without this benefit. At age 10 and over the standard forms of contracts are issued.

Protective Life's New Forms

Combination Accident Benefit and Special Life and Investment Contracts Included in New Rate Book

Investment bonds without any life insurance feature, and life insurance without any investment feature are both included in a new rate book which has just been released to the agency force of the Protective Life of Birmingham. Both types of contract meet the demands resulting from the depression.

In addition to the usual policies which are issued on both participating and non-participating plans, there are a number of new special policies including option term to age 65, investment income bond, family income, single premium life, endowment and annuities; life expectancy, endowment annuity, children's insurance, preferred risk and thrift policies.

The company has also announced a new combination accident benefit which for a small additional premium, may be added to any form of policy the company writes except five and ten-year term, investment income bond, child's educational endowment and children's policies. It pays triple indemnity for travel accident, and provides for insurance on the beneficiary.

Federal Life

The Federal Life of Chicago, which five years ago offered life insurance in amounts of \$1,000 to \$5,000 on a non-medical basis to Chicago "Tribune" readers especially for the sake of the

advertising value and then discontinued the offer, has renewed it on a slightly changed basis. The new offer is a \$1,000 policy for males or females or a \$2,000 policy for males only, on a seven-year term basis with the privilege of conversion within five years without medical.

The contract is exactly the same as the one offered five years ago through the "Tribune" and two or three other newspapers. This contract stipulates that if death occurs from any cause during the first six months the amount payable shall be limited to \$500 per \$1,000 of face amount. There are provisions giving double, triple or quadruple indemnity for accidental death. The offer is open to all persons in normal health between ages 16-50, living in the United States, with the stipulation that in all states not permitting the issuance of non-medical the policies can not be issued. The rates per \$1,000 quoted are:

Age	Prem.	Age	Prem.
16	\$8.42	35	\$10.16
20	8.62	40	11.36
25	8.94	45	13.55
30	9.42	50	17.65

Brooklyn National Adopts Six Months Waiting Period

Old disability income and waiver forms of the Brooklyn National will be discontinued March 31 and new forms substituted with six months waiting period. Waiver will be issued on male lives up to age 50, covering disability incurred prior to policy anniversary nearest 55th birthday. Waiver will be issued for women who are single, self-employed being business all ages

supporting, under age 40, and covers disability incurred before age 50. Waiver and income clauses will be issued to age 50, covering disability incurred prior to age 55. The income clause pays \$5 per month per \$1,000 and provides that income ceases at maturity of policy or at age 65.

As an alternate benefit, the company will also issue with retirement income at 60 or 65, instead of \$5 per month per \$1,000, an income of \$10 per month per \$1,000, since this better fits the policy, which is designed to pay to assured after maturity an income of \$10 per month per \$1,000.

Maximum amount of disability income which will be issued on any life is \$250 a month, but only when total income in all companies, including current application, does not exceed \$500, and in no event when total in all companies including that applied for exceeds 50 percent of earned income. Minimum policy with disability income will be \$2,500.

Rates for waiver for women will be double those for men. Rates for monthly income disability will be slightly below the present scale, and rates for disability income with retirement income policy paying \$10 per month will be double those for the \$5 benefit.

General Mutual Life

The General Mutual Life of Van Wert, O., announces that on April 1, its disability benefits will be reduced to \$5 per thousand dollars face value a month. Disability will not be written on policies of less than \$2,000. The waiting period will be six months. Disability will not be written for women.

AS SEEN FROM NEW YORK

By R. B. MITCHELL

EASIEST COURSE CONDEMNED

An agent is usually taking the course of least resistance when he sells term or modified life, R. G. Engelsman, general agent in New York City for the Penn Mutual, contends. Ordinary life or even a higher premium form is usually best fitted to the prospect's needs, he says. Many prospects can and should buy long term endowments rather than ordinary life. Mr. Engelsman says, pointing out that the investment portion of life insurance is as important to the assured's security while he is alive as the death benefit feature when he dies, and that the lower cash reserves of the low-premium forms will be less to fall back on when the next cyclical depression occurs.

SPEECH AND DICTION COURSE

A course in speech and diction has been inaugurated by Wells, Meissel & Peyster, general agents of the National Life of Vermont in New York City, in an effort to help their full-time men to a better understanding of the seemingly small but often important factors that may make a sale or kill it.

As P. A. Peyster says, "The manner of a man's presentation is just as important as what he has to say. The agent must size up his prospect. If the prospect is the formal sort the agent may ruin the sale by a breezy, hale-fellow-well-met manner, although with another man a little slang may be just the thing to get past his reserve. Some people are sticklers for grammar. A salesman who said 'ain't' a few times couldn't sell them the best policy on earth."

"Cheerfulness, enthusiasm and sincerity are just as necessary as knowing the right thing to say and the come-back to every objection. I think it is a good policy for every agent to pick out a special type of policy, for example the family income or the retirement income contract, and make that a sort of hobby. Let him try it on every prospect where there is a reasonable chance that it might fit his needs. Usually this

produces one of two results, both of them desirable. Either the prospect goes along with your enthusiastic description of this contract, which shows that you have guessed right, or else he comes back with the objection, 'No, that isn't the kind of insurance I would want. If I were in the market for insurance I would want a such-and-such type policy.' And this enables you to concentrate on the type he is interested in."

INTERESTING USE FOUND

Wall street is finding an interesting use for life insurance, or rather wide-awake underwriters are devising means to adapt their wares to a particular need to which the depression has given rise. Many stock brokerage and banking houses are able to coast along in spite of bad times because senior partners are in a position to advance securities or cash to tide the business over. Usually the junior partners, having had less time to accumulate a sizeable amount of wealth, are not in a position to contribute their share. It is here that life insurance steps in. With substantial policies on the lives of the junior partners, the seniors know that they have insured against the only contingency that can keep the younger members from squaring things up when prosperity comes back.

DERBY SUCCEEDS BAWDEN

E. M. Derby of Brooklyn has been selected to succeed W. C. Bawden as executive manager of the New York City Life Underwriters Association. Mr. Bawden has resigned effective April 15 to join the brokerage department of the Wells & Connell agency of the Provident Mutual Life.

Mr. Derby was graduated from the Polytechnic Institute of Brooklyn in 1926 and comes to the association after several years spent in engineering work and in teaching. His training for his present position includes considerable editing and managing of undergraduate and fraternal publications. He was for three years collegiate correspondent of

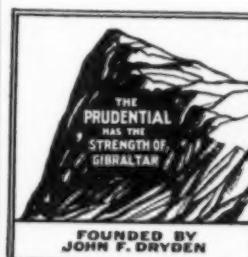
Help Tomorrow's Men

Life insurance salesmen, who get around a lot, know only too well the influence a wrong environment has on the growing boy.

Since wrong environment usually is directly due to poverty, it is possible to erase this threat by eliminating poverty.

The son of your prospect will have a chance in life if you can convince his father of this plain truth.

That's one duty of a Life Insurance Man.



The Prudential
Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

Girard Life Insurance Company

Philadelphia, Pa.

Has excellent General Agency openings
in Ohio, Pennsylvania and Michigan

Generous first year and renewal commissions.
Low net cost policies.

We seek General Agents of high character and ability, who are willing to devote efforts to building a real General Agency.

When writing give us a fair word picture of yourself and your insurance experience.

Your correspondence will be treated confidentially until such time as we have your permission to make inquiry.



SOMETHING NEW THAT IS NEW IN LIFE INSURANCE

*A Dollar's worth for every Dollar paid
regardless of kind of policy purchased*

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,961.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

Juvenile Policies—Ordinary, Twenty Payment and Endowment from birth, with all the fine features of our Adult Policies.

Many other forms of Policies equally attractive.

Operating in Illinois, Michigan, Indiana and Missouri

INTERSTATE RESERVE LIFE INSURANCE COMPANY

A Mutual Legal Reserve Life Insurance Company
Ten East Pearson Street : : Chicago

If you want to represent
a company offering...

- quick service
- fair dealing
- personal attention
- active help
- home office cooperation
- attractive policies
- practical suggestions

**you need not look farther. The Shenandoah
Life offers all these attractive features.
Write Charles E. Ward, agency manager.**

R. H. ANGELL
President

E. LEE TRINKLE
Vice-Pres.

W. L. ANDREWS
Sec'y-Treas.

SHENANDOAH LIFE INSURANCE COMPANY

ROANOKE, VIRGINIA

the New York "Times" and the New York "Herald Tribune."

After two years of teaching at his alma mater, Mr. Derby was with the Phoenix Bridge Co. for a year, after which he was for three years with the New York Central railroad. In addition he has been teaching evening

classes at Drexel Institute in Philadelphia and Pratt Institute in Brooklyn.

The executive offices of the association will be moved Saturday to larger and better quarters on the 14th floor of the 92 Liberty street building. The telephone numbers will remain the same.

AS SEEN FROM CHICAGO

RESPONSE FROM CANDIDATES

The Illinois chamber of commerce states that it sent to the seven candidates of both parties seeking nomination for governor at the forthcoming primary election, the position of its insurance committee endorsed by the directors, recommending the divorce of the Illinois insurance department from the department of trade and commerce, and setting up the insurance department as a separate bureau in charge of a director. The Illinois chamber states that out of the seven candidates five replied very favorably. The Illinois chamber declares that in its position in seeking this separation it does not reflect in the slightest on the present state officials. Members of the insurance committee have been writing to local agents in Illinois urging that local chambers of commerce organize insurance committees. More than 150 such organizations have been urged to establish such an activity.

ASKS INSURANCE VOTES

Dr. W. D. McNally is appealing to insurance men for support in his candidacy for Republican nomination for coroner of Cook county. Dr. McNally was in the coroner's office from 1912 to 1928 and he points to his various in-

vestigations testing the toxicity of carbon monoxide gas and other suicidal agencies, as being beneficial to insurance men. He is well known to claim men and was a recent speaker before the Chicago Claim Association.

* * *

SUPERVISORS TO MEET

Walt Tower, managing director Chicago Association of Life Underwriters, will address the meeting of the Agency Supervisors Association of Chicago at luncheon, March 31, on "Association Activities."

* * *

U. OF C. MAN TO LECTURE

A series of five lectures on functions of life insurance, policies, protection, investments and financial aspects and observations from the viewpoint of the buyer, will be given by S. H. Nerlove of the mathematics department of the school of commerce and administration, University of Chicago, starting April 7 in the Art Institute. The lectures will start at 6:45 p. m., each Thursday, for five weeks. Mr. Nerlove is a mathematician who has lectured in the school of commerce on insurance from time to time. The present lectures are given under auspices of the institute and as a part of the extension department facilities of the university.

NEWS OF LIFE ASSOCIATIONS

Essay Contest Is Under Way

Texas Association of Life Underwriters
Is Working with the Federated
Women's Clubs

Under the auspices of the Texas Association of Life Underwriters, cooperating with the federated women's clubs of the state, an essay contest is inaugurated, the subject being "A College Education Guaranteed Through Life Insurance." The first prize will be \$65, the second \$40, the third \$25 and then there will be \$5 for the next 10. In addition there will be a prize of \$10 to the district insurance chairman having the greatest number of clubs participating. The contest will start April 1 and close June 1.

Mrs. W. W. McCrory, 127 East Mistletoe avenue, San Antonio, is state chairman of insurance and will be in charge.

St. Louis.—How life insurance meets every requirement of permanent investments or sound property was illustrated by J. S. Drewry, general agent Mutual Benefit Life at Cincinnati, O., speaking before the Life Underwriters Association of St. Louis on "Why People Buy Life Insurance."

At the outset of his talk he expressed the belief that a thing most life underwriters fail to do is have a system that should furnish them four or five names of prospects daily. He characterized the selling of life insurance as a business with a personality behind it.

Peoria, Ill.—Dr. J. G. Clutterbuck, psychologist and vocational advisor of Cleveland, addressed the March meeting of the Peoria association on "How to Sell More Life Insurance." He said that too many salesmen underestimate themselves. In reality, he declared, they are the most important people in the business world for the progress and civilization of the world have to a large extent come through the efforts of sales-

Livingston Warns Agents Against Malicious Talk

LANSING, MICH., March 24.—Lansing life agents have maintained comparatively high ethical standards during the past two years' period of stress, Commissioner Livingston told the Lansing Life Underwriters Association at its March meeting. He warned against the questioning of the financial standing of rival companies, leading to a general distrust on the part of the public and said it must be halted before great damage is done to the entire business. In such times as the present, he emphasized, the public is only too ready to believe insinuations as regards the stability of financial institutions and extreme care should be the rule in all references to the status of insurance companies. He said life companies have demonstrated their great strength during this time of testing and that the irresponsible statements of twisters should not be allowed to undermine the public confidence in an institution which has been one of the great stabilizing factors of the depression.

men. "The more progress is made in business, the more progress we see in the church, school, hospital and other works, and the more it is possible for us to have our share of the things that make life worth while."

The most important sales factor is the attitude of mind of the salesman, he declared. He urged enthusiasm, the realization that this is the greatest country and government, that life insurance is the greatest business.

Dr. Clutterbuck is conducting a series of four lectures this week in the Peoria Life building.

California—A group of life underwriters is planning to call a meeting in San Francisco next month to reestablish the California state association, which

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has been inactive practically since its organization. The principal reason for this move is said to be for united legislative work, whereas its original purpose when organized was to combat bank agencies and similar tactics. R. L. Stephenson, Union Central Life, San Francisco, has been president of the organization.

Asheville, N. C.—Life insurance has maintained its dollar valuation throughout the depression and is still a safe investment, Paul W. Schenck of Greensboro, N. C., general agent of the President Mutual Life for the Carolinas, told the Asheville association at its monthly meeting.

In speaking of the return on insurance investments, Mr. Schenck said it has been clearly demonstrated that on the investment element of the life insurance rate, the compound interest return is better than 5½ percent. He pointed out that the disturbed times through which the country has been passing have demonstrated the security of a life insurance contract in a well managed company.

Des Moines—The Des Moines association will hold its sales congress April 4 at the Fort Des Moines hotel. E. R. Gray is president. Dr. C. J. Rockwell, Sun Life, membership chairman, told his plans. The association is planning to attract many leading underwriters through a special series of 10 lecture courses by Henry Burd, professor of merchandising, University of Washington. These lectures will be open to members only.

* * *

New Orleans—Mrs. W. S. Pritchard, department of the American family, National association, spoke on "Life Insurance" before the New Orleans Business & Professional Women's Club.

* * *

Erie, Pa.—R. B. Hull, managing director National association, spoke at a luncheon meeting of the Erie association discussing the program of the National organization. C. R. Pixler, Erie general agent Connecticut General, presided.

* * *

Akron, O.—Reproduction in playlet form of an actual case recently handled by Steve Hewes was a feature of the March meeting of the Akron association. There was an overflow crowd at the luncheon. Harold B. Harpham was the prospect, Mrs. Helen B. Hall, his secretary, and Mr. Hewes the agent.

Mr. Hewes dropped in to greet an old policyholder and ask his opinion of a new sales talk. The policyholder later asked about a loan on his existing policy. At the end of the interview, the man had signed applications for a \$3,000 loan and a \$3,000 policy and agreed to take medical examination the following day on a conditional application for a \$10,000 policy to cover depression shrinkage in his holdings.

During the interview the business man learned much about the investment value of life insurance.

A number of officials of the American Central Life were on hand, being in Akron for one of the regional meetings of their company. They were F. R. Fisher, assistant to the president; G. M. Bailey, agency secretary; W. B. Hargrave and P. H. Roach, agency supervisors; G. S. Williams and R. S. Thompson, agency managers, and I. F. Glace, special agent.

Another guest was J. P. Carroll, superintendent of agencies for the Lincoln National Life.

* * *

Buffalo, N. Y.—Roger B. Hull of the National association spoke at a luncheon meeting of the Buffalo association. He emphasized the importance of making life insurance a part of the 1932 budget of every American home.

* * *

Hamilton, Ont.—George H. Harris, supervisor of field service Sun Life of Canada, spoke at the March meeting of the Hamilton association on "Present Day Difficulties and Opportunities in Life Insurance Selling."

* * *

Louisville—The Louisville association had as guest and speaker Elbert Storer, president National association, at a luncheon meeting, March 22, his subject being "Life Insurance as Tangible Property and a Good Investment."

* * *

Fort Smith, Ark.—The newly organized Fort Smith association met March 19 and heard an address on present crime conditions by Dr. Elbert Hefner. L. N. McAfee is president.

* * *

Seattle—Over 300 attended the March meeting of the Seattle Life Underwriters Association at which Frank M. See, St. Louis general agent Union Central Life, spoke. Mr. See's program was three-fold. His formal address, "Life Insur-

ance as an Investment," was followed by an informal discussion on closing. An unusual feature of the program was the open forum during which he answered the "objections" to life insurance raised by the assembled underwriters.

C. J. Frisbie, New England Mutual Life, announced the association's new plan requiring membership cards to be shown before admittance to regular meetings of the association. The move is designed to augment the efforts of the special membership drive.

At a special meeting of the executive committee of the Seattle association to arrange details for the two-month membership campaign, Fenton C. Rowell, Sun Life, membership chairman, told his plans. The association is planning to attract many leading underwriters through a special series of 10 lecture courses by Henry Burd, professor of merchandising, University of Washington. These lectures will be open to members only.

American Central Holds Ohio Regional Meetings

Three regional agency meetings were held by representatives of the American Central in Dayton, Toledo and Akron, O. Home office executives on hand were W. P. Coler, actuary; F. R. Fisher, assistant to the president, and G. M. Bailey, agency secretary.

Talks on current sales problems were given by members of the agencies visited, the home office group also contributing. Enthusiasm ran so high that a spirited paid-for new business challenge resulted, bringing into competition practically the entire Ohio organization and districts in other states that are willing to participate.

The Ohio regional gatherings are among the first of a series planned by the American Central, earlier meetings having been held in Illinois.

Conducts School in St. Paul

Edward Anderson, from the home office of the Connecticut Mutual Life, is conducting a two weeks' school for salesmen at St. Paul, Minn., in cooperation with the Bratter agency.

Kenilworth H. Mathus, editor of publications of the company, also addressed a meeting of Bratter agents.

Boileau Holds Agency Meet

Wallis Boileau, Jr., superintendent of agencies for the Penn Mutual, conducted an agency meeting of the M. J. Miller agency of Buffalo. He went to Buffalo from Chicago, where for three days he visited the Penn Mutual agency.

Eliason Agency 24 Years Old

The A. O. Eliason agency of the Minnesota Mutual Life in St. Paul, Minn., this week observed its 24th anniversary.

Gleaners' Managers Meet

Problems of life insurance selling were discussed by more than 50 sales managers of the Gleaners, Detroit fraternal, at an all-day meeting. The principal speaker was Ross L. Holloway, president. Two business sessions were held, followed by a banquet in the evening.

St. Louis Office Moved

The St. Louis office of the Western & Southern Life, located in the Missouri Theatre building, has moved to 2806 North Grand boulevard.

Columbus Mutual Life agents clubs in Michigan will hold their annual convention in Lansing April 16.

The New Insurance Calendar is ready . . . twelve sheets . . . twelve different sales pictures . . . your name and advertisement at the top of every sheet. Send 10¢ for sample to

THE NATIONAL UNDERWRITER
A-1046 Insurance Exchange, Chicago

The Road Ahead

The success ahead of a life insurance salesman depends upon five definite things—

1. Himself
2. His field
3. His policy contracts
4. His contract
5. His company

All of these are equally important. If all are good, success can be predetermined.

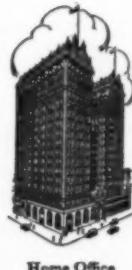
To the man who possesses the right qualifications, we will supply the other requisites of the right field, the right policies, the right contract, with the right Company.

For information address:
A. R. Perkins, Agency Manager

JEFFERSON STANDARD LIFE INSURANCE COMPANY

JULIAN PRICE, President

Greensboro, North Carolina



Home Office

Responsibility

There is no factor so vital to the institution of life insurance as the character of those who present it to the buying public. The whole structure of confidence and respect stands at the mercy of the fieldman; the popular conception of life insurance can be clarified or distorted—depending upon his tactics. The agent is indeed the keeper of a weighty trust.

These things being true, it follows inevitably that the man who traduces his competitor, or who misrepresents, or who lacks the highest sense of fair play and honesty, is actually a menace to the entire institution.

It is far better to lose business than to gain it through trickery or at the expense of a competitor's reputation. Sharp practices and mud-slinging are the refuge of the morally and mentally unfit—a sure indication of shortcomings that brand their users as undesirables of the lowest order.

The sooner these evil influences are eternally barred, the more quickly will life insurance demonstrate that it is the world's most humanitarian and altruistic business.

**AMERICAN
CENTRAL
LIFE
INSURANCE COMPANY**
Indianapolis

No. 15
of
ATLANTIC ADVANTAGES

A Policyholders' Service Bureau assists Atlantic's field men in rendering service to clients, thus helping to maintain business in force.

**ATLANTIC LIFE
INSURANCE COMPANY**

Richmond, Virginia

Angus O. Swink
President

Wm. H. Harrison
Vice Pres. & Supt. of Agencies

Honestly, It's the Best Policy



Net Results in 1931—

An Increase in Insurance in Force equivalent to 20% of 1931's paid production—

An Increase in Assets of 8%—

An Increase in Surplus of 11%—

Interest earnings on invested assets—5.71%.

THE GUARDIAN LIFE
ESTABLISHED 1860
INSURANCE COMPANY of AMERICA
50 UNION SQUARE • NEW YORK CITY

**Destructive Plan
Is Frowned Upon**

(CONTINUED FROM PAGE 3)

circulated widely all through the country. The Sun Life has been most aggressive. The assault has been so vicious and sinister as to defeat its end in some respects. State insurance departments and the provincial superintendents in Canada have denounced without reserve this onset on a great financial institution. Where the "Journal of Commerce" has been used by rival agents, policyholders have become solicitous as to other companies and the beginning of undermining of trust in life insurance was started. Students of the business and analysts of insurance naturally realize that a great institution like the Sun Life is able to meet all its obligations and will continue to do so.

Right thinking and high-minded executives and agents deplore and condemn in no uncertain terms the uncalled-for assault on the Illinois Life, one of Chicago's leading companies whose chief officials have been outstanding in constructive enterprises in the great city.

Many Rumor Factory Products

As a matter of fact a great many of the rumor factory products have grown in seeming importance because there has not been a clear and frank revelation of the real facts as to some of the investments that are given as cause of the trouble. For instance where a company has majored in farm loans one might feel that it was heading directly for limbo if half the rumors were to be believed. As a matter of fact there is no institution that is in anyways near dire extremity. Companies that have farm loans are working out their problems satisfactorily. The foundations of these companies are strong. Farm loan investments, after all, constitute but a comparatively small part of life insurance assets. No legal reserve life company honestly and capably managed for many years has failed. Even in case of institutions that have been manhandled, and they have been small concerns, the policyholders have not lost anything.

Public Faith Will Be Unsated

Some officials undoubtedly see a temporary advantage in taking twisted business where those using rumors are able to disturb the minds of policyholders and switch business over. This is a very short sighted policy because if this movement of using these rumors and employing the articles of unfriendly publications are used public faith will be unseated. The situation in the minds of far seeing executives is a grave one. Unfortunately some are able to see no farther than their nose and seemingly do not realize that they may be digging their own grave. A life insurance panic or run on companies would be the greatest tragedy that could befall the country at this time.

BOOST BUSINESS, PHILLIPS URGES

ST. PAUL, March 24.—Life agents, regardless of their own affiliations, should boost the business in general and refrain from condemnation of rival companies, President T. A. Phillips says in a letter to Minnesota Mutual Life agents.

"These are times when the effort of every life insurance agent, regardless of his company connection, is needed in the interest of life insurance generally as well as for his own company individually," Mr. Phillips said. "A thoughtless or careless expression depreciating any one company harms all companies and undoes much of the constructive work all of us are trying to do."

"Speak well of your competitor, his company and the institution of life insurance, and by so doing aid our government in its efforts to restore confidence."

"It occurs to me that as emissaries of a great beneficent business, we can help the President very materially in our own localities by emphasizing the

stability and strength of the life insurance company, by explaining the elements which make for this stability and by expressing our confidence in each and all of the companies."

Suicides Causing Tighter Attitude

(CONTINUED FROM PAGE 3)

ers in the firm's retrenchment policy and is just as valuable as ever. Yet it may mean his firm is having real difficulty and might close with serious results to the applicant.

The rules affecting maximum limits stated above apply only in general. As soon as the amount applied for puts the man in the bracket of \$300,000 insurance or more, the companies consider cases very slowly. Where previously companies made extra efforts to speed the big cases because they were after production, realized competition in big cases was severe and were willing to do almost anything to please the big producer and retain his business, now they are becoming adamant.

Require Special Examinations

When insurance goes over \$300,000, special heart examinations and intestinal-urinary examinations are needed. This is a year when the conservatives decidedly are in the saddle and an underwriting policy which is conservative needs almost no other recommendation for adoption.

A significant development of the times is insurance applied for to serve as a form of collateral to give banks extra protection on loans. The companies are examining these cases with great care in this respect, because they deem this to be creditor, or death, insurance, the issuance of which might bring about a set of conditions in which the policyholder will consider himself worth more dead than alive.

Some banks undoubtedly have availed themselves of the cash values in borrowers' life contracts to reduce loans, and similarly when all other collateral has failed because of heavy depreciation in values, to cover the full amount of a loan some banks have insisted on the borrower taking additional life insurance.

Constitutes Puzzling Problem

The great question for companies is how far they should go in this matter of virtually creating collateral. There is considerable thought in the business that life companies have no business to grant more insurance to a man to serve as collateral for a bank loan than he himself will be able to repay in a reasonable time. They even have gone farther. Many companies may find a man's finances are in such bad condition that he is unable to repay much if any of the principal on such loans, and perhaps have difficulty even in paying the interest, in which case they refuse to issue any insurance for this purpose.

Their policy is either to issue the amount applied for or none. The reason for this hard and fast policy is that if one company should issue a part of the amount applied for to cover such loans, another company might be found to issue another portion and eventually the applicant might obtain the entire amount he desired, thus putting him in the position where by self-destruction he could clear his estate and solve his problems.

Interesting Case Is Cited

A recent case illustrates the point. The applicant a year or so ago was worth several million dollars, but now has a net estate actually six figures in the red. His salary a year or so ago was around \$60,000; now it is about \$25,000.

Medical examination showed him in splendid physical condition. In ordinary times (he being about 40), he would be able to buy total life insurance of about \$500,000 (the general rule of thumb formula being nine times the earned income at age 40 and six times at 50), but

it was disclosed that he had a bank loan between \$200,000 and \$300,000, which was the exact amount of insurance applied for.

This is a typical case on which the underwriter probably would say "No." The underwriter considers that to issue the insurance on such a risk would be to place in the hands of the applicant in his time of greatest financial and mental stress the complete answer to all of his problems.

Canadian Premier Defends Carriers

(CONTINUED FROM PAGE 5)

decision of the Privy Council, to put those restrictions upon our statutes.

"As to the wisdom of some of the investments of the Sun Life I entertain some doubt. They are not investments that I would make, but they were investments that the law permitted them to make so that at best it can only be said to be errors in judgment, and who in this house has not made errors in judgment in investments in the past ten years."

Defense by Luchkovich

In respect to the North American Life, the premier defended the mutualization of the company, and pointed out that its investments in common stocks were only 5 percent.

In support of his resolution Mr. Luchkovich said: "The question might very well be asked whether a discussion of this matter in Parliament would not aggravate the situation, rather than remedy it. I think that there is no worse way of aggravating a situation than by leaving it strictly alone, especially in the face of the numerous rumors and the numerous publications which have been circulating throughout the country

General Feeling of Suspicion

"There has grown a general feeling of suspicion that the insurance companies of Canada are rapidly becoming insolvent. If such is the case I think that the public of Canada should be informed accordingly. If it is not, then I think that the authors of such publications should be asked either to prove their charges or else forever hold their peace. Further, if the charges are not true the insurance companies themselves should be the first to welcome gladly an investigation, for the reticence and reluctance with which they have met these charges has left the public with no other alternative than to accept the charges at their face value."

Statement by Cahan

C. H. Cahan, secretary of state for Canada, said: "The solvency of the company must be determined not so much by the drop in the stock and bond values of this country in any part of the Empire, but by the condition of the company in the future when these liabilities mature and become payable. I am confident that this company is as solvent as any big company on this continent, and anyone who attempts to present a picture of despair or disaster is doing the greatest injury to Canadian credit and to the credit of Canadian institutions."

No Vote on Resolution

Comment by opposition members was varied. M. F. Hepburn expressed the view that names of the two companies should not have been joined in the resolution. He advocated mutualization of the Sun Life. J. Ralston, on the other hand, expressed his confidence in the companies and their officials.

The resolution was "talked out" to use the parliamentary term, meaning that it did not come to a vote within the required time.

The Eureka-Maryland Assurance has opened a new agency at Lewistown, Pa., operating as the Burnham Insurance Exchange to develop Mifflin and adjacent counties.

Preponderance of Income Plans Is Seen as Hazard

(CONTINUED FROM PAGE 5)

\$486,000 in 1921, \$392,000 in 1931; from diphtheria, \$256,000 in 1921, \$124,000 in 1931; from tuberculosis, \$10,861,000 in 1921, only \$6,446,000 in 1931. However, he pointed to further opportunity for improved control of infectious diseases in the fact that influenza and pneumonia caused death payments of \$12,000,000 in 1931 in that one company.

Better Control in Future

"Medical men are confident," Dr. Dingman says, "that these ailments will prove subject to specific remedies and control. It is significant that each individual saved from death from tuberculosis, influenza, pneumonia, etc., is a potential beneficiary under annuities, particularly under the trust options in life insurance contracts, which as all underwriters know are handled by the companies as straight, single-premium life annuities."

"Although other factors are playing an important part in the improvement in general health, and science has made a remarkable contribution, nevertheless the outstanding reason why our sons and daughters will live longer is because each generation is becoming better informed on how to avoid and combat disease. Thus we do not have to look to science as the only hope, great as its contribution has been."

Span May Be 100 Years

"There is some basis for the belief that man's natural life span is 100 years, and many brainy men hold this belief. This may be merely visionary; then again, it may be that there are some individuals who can see farther and more clearly than most of us."

"Flourens, in his book on longevity, says, 'A hundred years of life is what Providence intended for man. . . . Man does not die—he kills himself.' Flourens believed the natural span of human life is five times the period of growth."

Annuity Proportion Increasing

Finally, the present strong trend toward income forms, taken with the unusual policy loan situation and the undoubtedly fact that much of the present so-called new business is merely "rewritten" business, without doubt is tending to increase the proportion of annuity and other income contracts in relation to life plans. Some agencies confidentially report that upwards of 50 percent of new business is on these income plans. If the remainder were truly new life business the normal proportion might not be seriously affected. Many agencies report an increase of \$10 or more in average premiums, again indicating clearly the radical change toward contracts with a larger investment element.

Go to Life Extension Institute

R. C. Borden has been appointed a vice-president of the Life Extension Institute of New York. He is known to the insurance fraternity through several of his textbooks and through his reports on the Borden-Busse sales research made to conventions and association meetings. He was formerly a general supervisor of the Hearst newspaper chain and sales counsellor to numerous manufacturing and retail organizations. He still retains his post as a department head at New York University.

A new book, "Freeman's Earthquake Damage & Earthquake Insurance" is sold by The National Underwriter, costing \$7.

**NOW READY
DYNAMIC SHORT COURSE**
A complete 3-day course for the new agent—
\$3.50
The Insurance R & R Service
INDIANAPOLIS, INDIANA

Today's Reasons

Mr. W. M. Liscom, one of our representatives in Chicago gave the following reasons, at our recent annual convention, for wanting to continue to represent the Bankers Life of Nebraska.

Mr. Liscom said, "I think our Company is the ideal one to represent, first, because it is sound and it is conservatively managed. . . . Second, it offers unlimited opportunities to the agent of proven ability. General Agency openings are always available. . . . Third, it has an outstanding Home Office School of Instruction for new agents. . . . Fourth, its policy contracts are sufficient to meet every need and its commissions to agents are liberal."

If you are unattached and can handle a General Agency in Ohio, Pennsylvania, Illinois, Iowa or Missouri, write

A. B. Olson, Manager of Agencies

Bankers Life Insurance Company of Nebraska

Founded in 1887

Home Office—Lincoln, Nebraska

1932

Co-operation - Sincerity - Service

Our Motto for Over 80 Years

Ask Any Berkshire Agent

BERKSHIRE LIFE INSURANCE CO.

Incorporated 1851

PITTSFIELD, MASSACHUSETTS

OPPORTUNITY!

Desirable Territory Open for General Agencies.
Liberal Contracts.

THE CAPITOL LIFE Insurance Company

DENVER, COLORADO

Your Renewal Commissions are non-forfeitable

**When you sell a policy for us we
recognize your property rights in the
premium income from that policy.**

**The commissions which are earned on
that policy in succeeding years are
non-forfeitable. They belong to you.**

THE WISCONSIN LIFE INSURANCE COMPANY

Madison, Wisconsin



If your territory is open we shall be glad to mail you, upon request, a copy of the contract and the details of an unusually attractive agency offer.

Come to the GREAT REPUBLIC LIFE

and Double Your Production by
Writing Its Wonderful New

Select Risk Life Expectancy Policy

Guaranteed Low Cost with many attractive features, including Disability, Double Indemnity, Loss of Members and Beneficiary Insurance.

Maximum Protection for Minimum Deposit. Full coverage for the active years of life with extremely liberal conversion privileges.

Liberal first year and renewal commissions paid to experienced life underwriters.

For full information concerning an agency connection communicate with

W. H. SAVAGE, Vice-President
1300 Great Republic Life Building
LOS ANGELES, CALIF.

Rockford Life Has a Message for You

President F. L. Brown
Rockford Life Insurance Co., Rockford, Ill.
Dear Sir: SEND ME THE MESSAGE

It Concerns General Agencies

Name

Address

City State

Dr. Huebner, Holgar Johnson, Other Leaders at Boston (CONTINUED FROM PAGE 7)

in 1930, but he does not believe any man has a right to buy an annuity until he has taken care of the needs of the family. He expects to pay for more cases in 1932 than he has ever done before.

John L. Shuff, Cincinnati, former general agent Union Central Life and former president of the National Association of Life Underwriters, was the closing speaker. He told of his great love for the business, the pleasure he derives from protecting his insureds far above the monetary return and of the wealth men are adding to the country. Crises bring out the best in one and life insurance has stood the test as well as the men in the business. While bankers lost their grip in the past few months, life insurance has made good.

Nashville Manager Urges Selling But Three Policies (CONTINUED FROM PAGE 13)

tion and advocate the issuance and sale of only three types or kinds of policy contracts? One of these three will fit any need, and is low enough in cost to permit any one to ownership. They are whole life, endowment, retirement income or annuity.

Who is responsible for this craze for volume with disregard to quality and permanency? Who is responsible for the ever increasing, yet ignored unfair tactics that are employed by a large number of agents? (Many of them are association members, too.)

Why is life insurance considered difficult first to sell, then have it remain sold? Is it the small or the large company? Is it the stock or the mutual company? Or is it the agent or the article of merchandise we are selling? I'll tell you who it is—It is all companies first, and second the men who represent them on the firing line. The companies are doubly at fault for their greed for volume, and their superficial agency and man-power building methods which they call modern, unique, etc., but in most cases belong in the archives.

So you are correct Mr. Eubank. "The public pays the bill!"

Urge Sales Talk When Delivering the Policy

A. Mackenzie, manager of agencies of the Manufacturers Life of Toronto, advocates use of an organized talk in delivering the policy as well as in selling it. He calls this a supplementary presentation.

The points brought out in the selling interview should be reviewed, he said. Confidence should be established in the mind of the buyer. Other benefits that were not previously mentioned should be brought to the buyer's attention. Sometimes, he said, it is good technique to refrain from mentioning some benefits in selling so that additional points may be brought out in presenting the policy that will "cement" the value of the plan in the insured's mind on delivery.

It is also good policy to have the beneficiary on hand when the supplementary presentation is made. Mr. Mackenzie advocates a forceful presentation of the various benefits in non-technical terms. The insured should be told that by having purchased the insurance he has entitled himself to the services of the agent as a counselor and advisor. That is a splendid occasion for obtaining new prospects and also for planting ideas that may prevent the policy from being borrowed against or surrendered at some later time.

Jordan's book, "Investments," one of the "C. L. U." list, can be obtained from The National Underwriter. \$4.00.

We Think We've Got It

Life Agents have long known a prolific income awaited them in the Health and Accident field, on business they could readily write.

The trouble has been to find a class of contract which fully met their ideas of income protection.

We think we've got it in our new line of policies. Send in the coupon and we will send you further information.

MAIL COUPON

INTER-OCEAN CASUALTY COMPANY Executive Office CINCINNATI-OHIO

Inter-Ocean Casualty Co.,
12th Floor American Bldg., Cincinnati, Ohio.
Please send me information regarding your accident and health policies.

NAME
STREET
CITY N. D.

PRACTICAL SALES HELPS...

The only company which deposits full legal reserve on life policies with the State of Illinois.

PARTICIPATING NON-PARTICIPATING

A complete line of ACCIDENT & HEALTH policies.

COMPLETE COVERAGE COMBINATION POLICY. (Life and Accident & Health in one contract).

An ORGANIZED SALES PLAN which gets results.

ABRAHAM LINCOLN Life Insurance Company

Springfield, Illinois

H. B. Hill, President

NU

AGENCY MANAGEMENT

Building a Working Plan to Fit Territory Is First Consideration in Developing an Agency

W. A. Nicholas, general agent for the Minnesota Mutual at Gillette, Wyo., writing in the "Managers Magazine," published by the Life Insurance Sales Research Bureau, says: "Our working plan has been built around things that have proved most successful for us in the territory we operate. I believe success lies in taking a simple idea that will work and then working it repeatedly."

"Such a plan, particularly for rural general agents, should include (1) organization of the general agent's time and disposing of office routine; (2) one simple recruiting plan to go hand-in-hand with personal production; (3) a standard method of training; (4) intelligent application of home office helps in supervision; and (5) gradual division of territory into district agencies, each of which will operate as a miniature of the general agency."

Production Accompanies Recruiting

Recruiting in Mr. Nicholas' territory has gone hand-in-hand with personal production. Success of new men, according to Mr. Nicholas, depends upon the individual general agent's resources more than territory. He continues, "If any one source has proven better than another, I would say that county officials have proven most satisfactory from every standpoint. As bird-dogs and part-timers they make desirable connections because of their wide acquaintance. Popularity over an entire county is assured. Their work is such that they can leave it in the hands of a deputy for a day or two to get out and work with me whenever I happen to drop in on them. Also, the fact that their term of office is bound to expire in a few years at best predisposes them to give serious consideration to life underwriting as a full-time career."

Training Plan Is Outlined

"Training begins when a bird-dog is first selected and hired. He is taught the rudiments of prospecting and how to plan a day's calls. It is demonstrated

to him from the outset that life insurance selling demands long hours of hard work, by piling him into the car and heading for the country where prospects are. It is an invariable rule with me never to return to town until we have at least some business. The bird-dog must understand that even though he is being paid by the day his work isn't finished until I have sold some business, and usually he has some friend in the country with whom we can stop overnight when necessary. Town calls are saved for stormy weather when country roads are impassable."

Other Phases of Agency Building

Other phases of agency building in rural territory are discussed by Mr. Nicholas. He concludes, "A good indication of when I have chosen the right type of assistant is that he begins digging up more prospects than can possibly be called on in the usual two or three-day visits that I make. Then and only then is a part-time contract for him necessary and proper. A correspondence course is ordered, which he pays for himself, and he is given a complete kit of supplies. The contract is explained and he is shown how in the future he will be reimbursed through split commissions and renewals instead of wages, and the advantages are made apparent of his giving as much time to the business as possible."

Training Marches Along

"From here on his training marches along. I use an organized sales talk in conjunction with a simple demonstration blank which is printed locally. He has already heard this talk given dozens of times, and it is a simple matter for him to master it word for word. Then the talk is analyzed with him and he is shown in a policy where authority rests for every statement used. The wherewhoreof bringing out each particular idea are pointed out. Thus he is enabled gradually to rehash the talk into his own language without losing sight of any essential elements."

Suggestions for General Agents in Selecting, Hiring New Men

S. T. Whatley, general agent of the Aetna Life in Chicago, in a talk before general agents gave some advice as to hiring and selecting new men. This is a question in which all supervising people are interested. Mr. Whatley made the following points:

There are three primary phases of a general agent's work: (a) Selection; (b) Hiring; (c) Training.

1. Selection. A great many men are on their way out, as they cannot continue in the business and maintain their old, slovenly, unsystematic, ineffective methods in the face of present conditions. He strongly advised against taking chances on a lot of men who are available for agency work today, being out of jobs and merely looking for a place to hang their hats.

The ten points to be watched in selection are as follows: 1, integrity; 2, ambition; 3, contact; 4, ability to finance himself for six months; 5, a happy home life; 6, imagination; 7, industry (which

generally goes with ambition); 8, personality; 9, previous record of success or failure which he suggested should be gene into very carefully; 10, length of service in former connections to prove his stick-to-it-iveness.

2. Hiring. Never hire a man on the first interview, even though you think you want him. Interview his wife. Sell her or don't take him. Don't paint too rosy a picture unless both the prospect and his wife know what the difficulties and pitfalls are. Prepare him to take a loss the first year in the business. Then show him he can balance this later on by indicating the value of his first year's renewals.

3. Training. Training should be given in small doses. A new man should have the ordinary life policy explained to him very carefully as the foundation. Then, all other contracts can be explained in their relation to ordinary life. Teach him how to uncover needs.

SINCERITY

There is a ring to sincerity that is difficult to imitate. Its genuineness is readily proven.

If the sincere purpose of a company is to give maximum benefits to policyholders, it is soon apparent in its development.

Country Life has that creditable sincerity throughout its entire make-up. Agent and policyholder alike believe in its sincerity and efficiency.

Enthusiasm is generated and spreads like a prairie fire whenever and wherever its story is told.

Low participating rates on all its policy forms is only the first gesture. It has a low expense per thousand, and a low mortality experience. Its intelligent service to policyholder and agent alike breaks resistance to selling, and indeed makes more intelligent policyholders.

Our plan of controlled selling reaches farther than the salesman can reach, and brings the intelligent and informed prospect close within the reach of the salesman.

We do not take agents from other Companies.

L. A. WILLIAMS, General Manager,

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The impregnable Legal Reserve System
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with men who know how and want to sell policies—not experimenters but resultors —those who can and will.

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Incorporated 1848

THE UNITED STATES LIFE INSURANCE COMPANY
Organized 1850 In the City of New York Non-Participating Policies Only
Over 80 Years of Service to Policyholders
Good territory for personal producers, under direct contract
HOME OFFICE: 156 Fifth Avenue, New York City

Great West Life Manager Adopts Production Plan Which He Uses to Help Agents Get Business

Manager A. H. McLeod, New Brunswick branch of the Great-West Life, believes this to be a critical year for field men. He sees the possibility of discouraging results for agents who will not bring themselves abreast of present day trends. He is of the opinion that there is an unparalleled opportunity for field men who are modern in their ideas, who realize the value of prevailing widespread public appreciation of life insurance, and who plan their work and work their plan to write a larger business than ever because of conditions and not in spite of them. He is not theorizing. His branch achieved its 1931 allotment in paid-for business.

Importance of Prospecting Pointed Out to Agents

"More than ever," he states, "the question of prospecting assumes great importance, for while we expect business to improve in 1932, we have to be on the alert to take advantage of every opportunity that presents itself. We shall have to pick our prospects on the basis of 'surplus income,' 'condition of their business,' their 'insurance needs,' and then add at least one closing interview a day to our last year's average.

"Stick a little longer. Remember that a good many people have fallen into an attitude of mind which makes them habitually say 'no' to any proposal for the expenditure of money. A good motto to adopt is: 'Make the prospect say "no" five times during the closing interview before giving him up.'

Manager McLeod's Work Program Is Presented

In order that his ideas might find expression in actual practice, Manager McLeod had a work program drawn up for his men. There is no doubt that if they stick to it a large measure of success will be theirs. Other representatives may find in it also a personal guide to outstanding achievement.

PRODUCTION PLAN

My Goal

Amount—
For the year \$..... For each month \$..... For each week \$.....

Applications—
I will write one or more each week.

My Plan

For Securing Prospects—
I will cultivate new acquaintances, secure names from each new applicant and

prospect, service old policyholders and work amongst my friends and acquaintances.

For Seeing Prospects—

I will select a list of 15 names each evening; interview at least ten prospects each day; solicit prospects who are both physically well and financially able to buy.

Definite Appointments Are Great Assistance

My Interviews—

I will make more definite appointments, will go to the homes of my prospects and continue to bring prospects to my office. I will not only talk to prospects but do my best to sell them.

My Records—

I will keep a systematic record of all prospects, of each interview and of each sale.

My Sales Talk—

I will study and improve it; I will spend 30 minutes each evening in reviewing my day's work and correcting my weak points.

My Self Development—

I will be agreeable and cheerful. I will look and act like a business man. I will develop my personality. I will have confidence in myself. I will cultivate big men and interview more of them.

My Working Days—

I will be in my office at 9 a. m. and make my first call at 9:30. I will study and plan before retiring. I will work six days each week and give to my profession the best that is in me.

Reinsurance of Alabama Company Under Advisement

MONTGOMERY, ALA., March 24.—The question of approving a contract arranged by Superintendent Greer for reinsuring the business of the First National Life of Montgomery in the Liberty National Life of Birmingham was taken under advisement after a two-day legal battle in court here. A decision is expected March 31.

The First National, which removed its home office to Montgomery from Troy, Ala., about three years ago, was placed in the hands of a receiver last week on application of Superintendent Greer. M. E. Carroll, employed by the company for a number of years as bookkeeper, was appointed receiver, and an injunction was issued restraining the company from continuing business. The company sought unsuccessfully to have the injunction dissolved and fought the receivership action in the hearing this week.

The petition filed by Mr. Greer alleged that the financial condition of the company is such as to place the policyholders in a precarious situation; that the company now has outstanding and unpaid more than \$12,000 in death claims; that it has unpaid judgments against it, and owes a large sum of money in addition to the unpaid death claims.

Here and There

Dr. Frank Crane was a preacher in Worcester at age 48. Being ambitious he borrowed on his life insurance policies, got a chance to write editorials for a big daily paper and later became the most outstanding editorial writer in the country.—Organizer.

* * *

Today's frenzy of fear is our greatest opportunity. Even those with good incomes are more interested in saving with security than in spending as usual. Timid dollars—scared dollars—worried dollars—the best refuge is life insurance.—Provident Peptometer.

* * *

The question before the house: Is alimony the cash surrender value of a husband?—Organizer.

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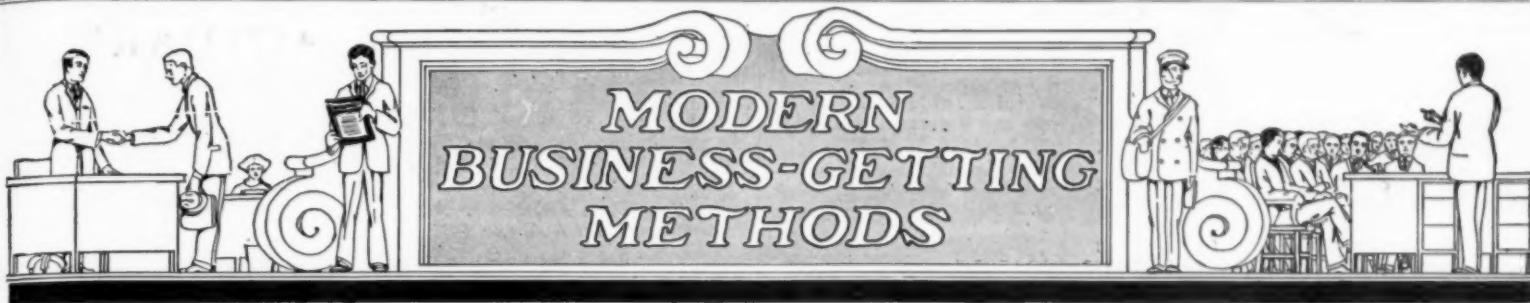
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Many Fertile Ideas Expressed by Experts and Leading Producers at Detroit Life Sales Congress

More than 850 life underwriters heard nationally prominent speakers analyze the problems confronting the field man and point the way to greater production in 1932 at the annual sales congress of the Life Underwriters Association of Detroit last week. The attendance, exceeding last year's record by 25 percent, was so far ahead of expectations that 200 were forced to listen to the speakers during the morning session via the microphone system in another room.

Thomas F. O'Keefe, sales manager of the Mutual Benefit general agency and president of the association, welcomed the underwriters and John W. Yates, general agent for the Massachusetts Mutual and chairman of the program committee, outlined the purposes of the congress at the outset of the morning session, presenting John A. Reynolds, president of the Detroit Life, who acted as presiding officer.

John A. Stevenson, vice-president Penn Mutual, talking on "Selling Life

Insurance," declared that the reason the "youngsters" are in many instances outselling the old hands at the business is that the new men have originated a new crop of prospects and have learned the art of selling life insurance under conditions entirely different from those of a few years ago. The new men have geared their selling methods to present-day needs.

"Older men are most successful today when they analyze their prospect lists carefully and discard those prospects entirely whom they have little hope of selling," said Mr. Stevenson. "All of the old timers have a number of prospects on whom they call more or less regularly but whom they are not selling. It is very easy to get in the habit of calling on such prospects in a routine way over and over again. These prospects have built up a sales resistance that is difficult to break down and requires more effort to level to the ground than the business will be worth.

"I urge all of my upper bracket men

to sell a larger number of cases, to forget their previous concentration on the big cases, and to get new prospects, more prospects and smaller prospects. My advice to you is to go over your prospect files at once and eliminate all of the non-active names. There are plenty of active prospects to be found so why waste your time on the difficult ones and those who require a lot of time and work to sell?

"I believe that a valuable idea to use in selling today is the idea that every dollar paid on life premiums is a dollar at work, a dollar that turns over and over again and ties in with the President's campaign for active dollars. Urge your prospects to get their hoarded dollars out of their socks and put them to work with an absolute guarantee of safety both as to principal and interest. No absolutely safe investment today yields a better return than life insurance.

Repeat Same Material so Why Not Organize It?

"See at least one new active prospect each day. Don't see the same prospects over and over again day after day. It doesn't pay. Organize your sales talk. For one thing an organized sales talk lets you know when you are through with the interview! It is much better to dismiss your prospect than to let him

dismiss you! It makes a better impression and retains your self-respect. No one can have a 100 percent disorganized sales talk. You are bound to use the same material over again, so why not get it in good shape and then present it that way always?"

"Thirty years ago when I began selling life insurance I was really selling burial insurance," said Elbert Storer, president National Association of Life Underwriters, talking on "Making Life Insurance Tangible." Ten years ago we started selling life insurance as tangible property. Before that we were selling life insurance for what it would do rather than for what it is.

Nothing Fills the Bill as Effectively as Life Insurance

"Every man has his own idea of what kind of property he wants to accumulate. He wants the kind of property that will do what he wants it to do when he wants it to be done, with the least management effort. Surely nothing fills the bill quite so effectively as life insurance.

"All property is life insurance, in the final analysis. But is it dependable? When you run into a man who wants no more life insurance, try this property idea on him. Every man wants more property, but the chances are he has never considered life insurance as tang-

Massachusetts Mutual Life a synonym for Quality and Excellence in Life Insurance



**MASSACHUSETTS MUTUAL LIFE
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SPRINGFIELD, MASSACHUSETTS
Organized 1851

Dominant in the West

A COMPANY in an expanding mood, with a splendid background of achievement, and the largest Guaranteed Cost company west of the Missouri River. It keeps a step ahead in extending modernized life insurance service. Family Income, Retirement Annuity, Business Protection and Juvenile contracts, in addition to all standard forms. Non-medical written.

Liberal contracts and that better Home Office service for agents.

Insurance in Force Over \$265,000,000
Admitted Assets Over \$43,000,000

**California-Western States Life
Insurance Company**

J. Roy Kruse, President

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SALES INFLUENCE PREDOMINATES

Executives of the Builders Life are men who have been grounded in all the fundamentals of selling. Naturally, sound sales tactics which build business and careful supervision and instructions in applying those factors are available to our agency force. The Builders Life offers much to those men who want to get ahead but who still desire to retain their own individuality.

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No Better Territory
No Better Company
No Better General Agent's
Contract Than Our Service
Pension Contract

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F. L. Alexander, President
W. R. Smith, Field Vice-President
LAFAYETTE, INDIANA

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GENERAL AGENTS
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Illinois, Missouri
and Kansas

St. Louis Mutual Life Insurance
Company
Originally Incorporated 1857
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ible property. Too many people look upon premium deposits as expenditure rather than as the accumulation of property. Life insurance really sells A1 bonds and mortgages on an easy payment plan suited to the individual's needs, bonds and mortgages selected by experts and managed by experts."

Leading Producers Give Their Best Sales Idea

Three of Detroit's largest producers delivered five-minute addresses on "My Best Selling Idea." Donald T. MacKinnon, Provident Mutual, president Michigan Association of Life Underwriters, who has led his company's sales force four times in seven years, said that he always states his facts clearly, concisely and briefly, in simple language, and never prolongs the interview.

George E. Tomkinson, New York Life, feels that it is important to get sufficient sleep so that one is always alert. He keeps his prospects and policyholders in good humor by working humorous stories into his sales talk illustrating various points.

Ralph C. Wilson, Mutual Benefit, advised underwriters who do not think that their policies are worth what their companies quote them at in the rate book to get out of the business. He roundly condemned the practice of splitting commissions with the client.

Roger B. Hull, managing director National association, delivered his address, "The Road Back to Security—The American Plan."

Henry W. Abbott, general agent Massachusetts Mutual in Pittsburgh, talked on "Organizing the Buyer to Buy." He makes a visual presentation of his sales talk to his clients, borrowing a pencil and paper from them as a bit of favorable psychology before beginning his presentation. Eight essentials are necessary for the underwriter, says Mr. Abbott: He must love his work, know life insurance and psychology, learn to prospect intelligently, learn to approach, to interview, to close and must be determined to succeed and must know how to make new friends while retaining old.

Writes Down Problems Which Prospects Face

The first problem facing the client is to earn a living, the second, retirement, the third, protection for the family. Mr. Abbott writes these down and subdivides the first into the various necessities and luxuries of life, allowing the prospect to tell his own story (and incidentally allowing him to supply the data for the preparation of a life insurance program) with the aid of adroit questioning and suggestion. By thus analyzing the client's condition at the first sitting or organized interview, the second or sales interview usually closes the case.

William H. Gage, millionaire producer of the Northwestern Mutual, advocated the keeping of accurate records of the day's work as an aid to greater

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24 rooms with auditorium on choice lot, 50x200; 12 car garage, 8 room flat above; 26 car parking space on boulevard. Out of loop. Woodwork in oak; inlaid floors; steam heat oil burner; plenty of wash rooms, toilets, etc. Convenient to finest transportation. Exterior press brick and stone. The whole in fine condition. Especially suitable for insurance company or club, civic or trade association.

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production, presenting a remarkable 16 years' record of his own work showing that every day is worth \$85.75 to him, every interview, \$18.51, every call, \$8.79. This is his average for the 16 years. His commissions averaged \$18,895 per year, his calls, 2,191 and his interviews, 1,061. He worked an average of 230½ days a year or, as he put it, he worked 10 years and rested five.

Ralph Engelsman Answers Questions From Audience

When he has a poor day he doesn't worry about it because he knows that it has earned him over \$85 whether he closed a case or not. On the other hand, if he wants to take a day off, he asks himself if it is worth \$85 to him—and usually goes to work. This, he says, is the secret of his success. He has frequently written from \$1,500,000 to \$2,000,000 annually.

Ralph G. Engelsman, New York City, general agent Penn Mutual, answered a running fire of questions from the audience for 45 minutes. When a prospect

says he has no money, the fault lies with the underwriter. He should select prospects who do have money, and there are plenty of them to be found, says Mr. Engelsman. He suggested going to a friend or prominent man in some industry and asking him who in his line in the city is doing an outstanding job. Salaried men are still making good money and living is cheaper, leaving them more funds for insurance.

Thomas F. O'Keefe told of the purposes and accomplishments of the association, designed to give the membership committee a crack at the unaffiliated underwriters in the audience. Vash Young, Equitable of New York, lecturer and author, was given the entire evening session for a forceful and absorbing address based on his book, "A Fortune to Share."

John A. Reynolds, president of the Detroit Life, acted as general chairman of the congress committee, with John W. Yates and F. Jean Little, Massachusetts Mutual, and Claris Adams, executive vice-president American Life.

Puzzling Problems of Partners and Small Corporations Offering Big Opportunities for Insurance

The strong argument is used by A. H. Kollenberg of the Mutual Benefit at Grand Rapids in business partnership cases that "if it is difficult for the firm to raise 2 percent now, how much more difficult will it be to raise 100 percent tomorrow?" he said in his address at the sales congress in Philadelphia.

"If the two living cannot lay aside this nominal amount," he said, "how can either one raise the principal fund? And heaven help the widow when she has to collect."

Statutes Are Inexorable in Limiting Survivor

He pointed out that the law governing dissolution of partnerships by death of one of the partners completely puts an end to the power and authority of the surviving partner to carry on the business, and it becomes his duty to wind it up, unless he can buy out the other interests. Thus as a rule a thriving business with good will goes at forced sale for a song.

Mr. Kollenberg told of a case in which the prospect hedged that he could get money at the bank to buy the interest of his partner's widow in case of death. Mr. Kollenberg said, "Fine, I congratulate you. Pay the bank 6 percent for a debt; pay me 3 percent for an asset." This closed the case.

Meets Objection of a Partnership Agreement

One objection often met is that the partners have provided by agreement against death. Mr. Kollenberg congratulated the partners and says his plan will supplement theirs. The agreement usually provides that the surviving partner shall have time to retire the other's interest, but in many cases a bank loan must be made for this purpose, costing the usual 6 percent. Mr. Kollenberg remarks that the "agreement gives you time; mine gives you money; the combination gives you the business."

Two Points to Emphasize in Soliciting Partnership

He says there are only two points to emphasize in soliciting a partnership:

"1. The imperative need of funds. Cite the law. The law giveth, and the law taketh away.

"2. The cheapest way of securing these funds. I challenge anyone to show me where he can buy money at a rate less than what a legal reserve company will give it for."

He goes on: "The smaller corporations are practically partnerships. The

stock is held by a few individuals who are actively connected with the firm and incorporated mainly for the purpose of limiting their liability. When one of these partners dies, the problem of the survivors is this: If they are making 25 percent or 30 percent out of their business they are paying the heirs of the deceased 25 or 30 percent, and the heirs contribute nothing but the use of their money, which is worth 6 percent. A business belongs to those actively engaged in promoting and developing it. How long will an arrangement of this kind be satisfactory to the survivors?"

He also points out that heirs sometimes have ideas of their own. They seek to intrude on the management often with disastrous results.

Must Use Different Appeals to Meet Situation

"In soliciting business insurance," he says, "it is important to know where to emphasize the appeal. If the stock is evenly divided and held by a few individuals, the appeal is different than if it is widely distributed and held in uneven amounts. Again, if the firm is heavily in debt, the appeal is different than if they are in a sound financial condition. When they are in debt, suggest that they buy insurance to protect their creditors rather than the partners.

"To sell business insurance the salesman must know how to interpret the prospect's needs. He doesn't create the need; he discovers it. He doesn't seek to awaken new desires; he aims to satisfy old ones.

Interpretation of Balance Sheet Key to Business

"To be able to interpret a balance sheet is to discover a sale. Study the liabilities. This tells you who owns the business—the stockholders or the creditors. A firm is not necessarily in a healthy condition because the balance sheet shows there are assets ample to cover the liabilities. What is the nature of the assets? Are they liquid or frozen? Durable or perishable? Is there a wide or narrow market? This will tell you how much the assets will shrink at forced liquidation."

Mr. Kollenberg in closing emphasized the importance of soliciting individual proprietors. Their case, he said, is more deplorable than that of partners or small corporations. Often no one is left who is familiar with the business, and creditors may not be willing to let an administrator experiment with their money.